



**ART**  
GALLERY  
OF REGINA

APRIL 1, 2015 – MARCH 31, 2016

ANNUAL REPORT 2015/16

## OUR VISION

As a dynamic centre for contemporary art, the Art Gallery of Regina enriches the lives of Saskatchewan people by engaging audiences in a stimulating exploration of contemporary art while fostering the development of Saskatchewan artists and audiences.

## BOARD OF DIRECTORS 2015/16

Wendy Nelson  
*President*

Mark Sexton  
*Vice President*

Deborah Potter  
*Treasurer*

Greg Deren  
Margaret Bessai  
David Dreher  
Christine Ramsay  
Gerda Osteneck

## STAFF

Holly Fay  
*Director/Curator*

Jessica Richter  
*Program Coordinator*

Dianne Strilaeff  
*Gallery Assistant*

Gary Erickson  
Karen Schoonover  
*Accountant (contract)*

### Art Gallery of Regina

Neil Balkwill Civic  
Arts Centre

2420 Elphinstone Street  
P.O. Box 1790  
Regina, SK, S4P 3C8

306.522.5940  
AGR@sasktel.net  
www.artgalleryofregina.ca

Cover Image:  
Zachari Logan, *Pool* (detail)  
pastel on black paper, 59 x 84"



Opening for Edie Marshall, *Terrain*

*“ A cultural hub of the community ”*

*“ The AGR shows work relevant to contemporary art and is responsive to the community. ”*

*“ I really enjoyed the exhibit. The work was amazing. I enjoyed that I got a chance to talk to the artist. ”*

## ABOUT US

The Art Gallery of Regina Inc. is a non-profit, public art gallery with charitable status promoting the development and appreciation of contemporary art with an emphasis on Saskatchewan artists.

The organization is funded through memberships, donations, fundraising events, corporate sponsorships, and government grants. The Art Gallery of Regina gratefully acknowledges the support of the City of Regina, the Saskatchewan Arts Board, Saskatchewan Lotteries Trust Fund for Sport, Culture, & Recreation, SaskCulture, SaskTel, SaskEnergy, Council for Business for the Arts in Canada, Canadian Heritage, Government of Saskatchewan Ministry of Parks, Culture & Sport, Terrie Dunand RE/MAX Crown Real Estate Ltd., HJ Linnen Associates, Greystone Managed Investments, Available Light Photographics & Design, Creative Display, Epic Art + Design, and Framemasters Gallery and Art Supplies.

# PRESIDENT'S REPORT

2015/16 has been a year of exciting events, exhibitions and big changes at the AGR. We presented a wide variety of solo and group exhibitions by local, provincial and national artists, such as EDIE MARSHALL: *Terrain*, IRIS HAUSER: *Dress Codes*, ZACHARI LOGAN: *A Natural History of Unnatural Things*, DIANE LARA: *Ensō*, and INTO THE FOREST featuring work by DEBBIE WOZNAK-BONK, WARD SCHELL and HAZEL ZAHARIK, all free of charge to the public. Art openings, artist talks, and a variety of workshops provided opportunities for artists, members, & the public to network with, and learn about, these contemporary artists and their work.

Karen Schoonover, our long serving Director retired in December. She worked tirelessly to create a gallery that exhibits nationally known contemporary artists and local up and coming artists that is welcoming and accessible for the general public. The gallery was the site of a Farewell party in November for Karen. The community came out to celebrate her achievement and wish her a wonderful and productive time in her own studio. Thank you Karen for all your years of hard work.

It was hard to say goodbye to Karen but we were thrilled to welcome Holly Fay as our new Director/Curator. Holly has been involved with the AGR for many years and has a great deal of experience in the provincial arts community both as an artist, curator and writer. Holly and Karen worked together for several months in a transition period. We are excited for the future with Holly at the helm!

Fundraising as always, is an important aspect of the Board's focus. This year's fundraising gala, "Orange", celebrated the Fine Art of Food on June 20th, 2015. Regina's top chefs interpreted aspects of the colour orange into unique and delicious works of art and competed for the Art Gallery of Regina's **2015 Red Plate Awards**. I would like to thank the chefs and restaurants for their support of the event, the dozens of hard-working volunteers, staff and the fundraising committee without whom the event could not have taken place.

Over the years, Gallery attendance has grown wonderfully, now the floor is showing its age. The "ART-THAT-WILL-FLOOR-YOU!" campaign is a continuing effort to raise funds to enhance our exhibition space by upgrading the gallery floor. Contributions to the fund will help us replace the well worn carpet and present a space that will maintain our tradition of excellence.

We are grateful to the following funding agencies for their ongoing support: The City

of Regina, Saskatchewan Arts Board, Saskatchewan Culture and Saskatchewan Lotteries Trust Fund for Sport, Culture & Recreation. We also thank our corporate sponsors: SaskTel, SaskEnergy, Greystone Managed Investments, Framemasters Gallery & Art Supplies, Terrie Dunand RE/MAX Crown Real Estate Lt. for their contribution to our programming. This year the Gallery also benefitted from the ArtsVest program launched by the Council for Business and the Arts in Canada, which enabled us to receive matching grants for some of our corporate sponsorships.

Thank you to our Board members for their time and commitment. The dedication and very hard work of our staff makes our programming happen. Thank you Karen Schoonover, Jess Richter, Diane Strilaeff, Holly Fay, and Gary Erickson. And finally I want to thank the gallery members and wonderful volunteers who support our programming and help throughout the year.

Wendy Nelson,  
*President*



Karen's farewell

# GALLERY DIRECTOR'S YEAR END REPORT 2015/16

The 2015/16 year was a tremendously busy year for the Art Gallery of Regina. The gallery presented a range of engaging exhibitions which included new works from both emerging and established Saskatchewan artists. *Into the Forest* featured the work of Ward Schell, Debby Wasniak-Bonk and Hazel Zaharik, all three artists draw artistic inspiration from connecting to, and observing nature. Moose Jaw based artist Diane Lara installation entitled *Ensō* included large suspended drawings. These works raised awareness of the body and our unique generic makeup. Iris Hauser, who has been exhibited at the ARG for many years, presented *Dress Codes*. Exploring the timely concept of personal identity, this exhibition included two parts: a series of portraits which examined the visual codes embedded in self-expression; and a series of narrative paintings featuring the same models in situations that reflected on fundamental issues of the human condition such as isolation,

unmet desires, gender identity, and societal expectations. Organized by the AGR, this exhibition later travelled to the Mann Gallery in Prince Albert. Another major exhibition in 2015 featured artist Zachari Logan. Logan's meticulous drawings and detailed ceramic sculptures explore intersections between masculinity, identity, memory, and place. Zachari Logan: *A Natural History of Unnatural Things* will travel to the Moose Jaw Museum and Art Gallery spring 2016. The year wrapped up with Terrain, Edie Marshall's tour de force exhibition of 1008 painting which the artist painted over a two year period utilizing iPhone photos as references.

All these exhibitions enjoyed high attendance, as did the five artist talks the gallery presented. Artist Talks and Meet the Artist events provided opportunities for the audience to interact directly with the artists and to share their own experiences and perspectives on various issues. We were very pleased to present

our second season of our emerging artist talk and forum, *The Artist is In*. Each year the AGR invites four local artists, working in range of media with diverse content, to talk about their art practises. As well the gallery presented as special talk by Belinda Harrow in which she related stories about the work collected by the Saskatchewan Arts Board.

Aiding the professional development of artists remains a priority for the gallery. This year we held six skill development workshops. We also co-sponsored three workshops on the business side of art with CARFAC Saskatchewan. These sessions covered the important topics of grant applications, documenting artwork and social media for artists.

As part of our audience development strategy, the gallery continued its strong working relationship with other cultural organizations and community groups. This year we collaborated with



Zachari Logan installation, *A Natural History of Unnatural Things*

over twenty different groups on various projects including: public performances, shared exhibitions, visiting artist activities, and art sales. In addition, we hosted events for twelve other groups, all drew in new visitors and helped promote our programming.

Our major funding raising event implemented a new theme in 2015 with the Orange Gala. The Orange Gala was a tremendous success, we thank everyone who took part. Watch for 2016's exciting theme *Ruby* as we mark the gallery's 40th anniversary.

One of the gallery's biggest events arrived near the end of 2015 as Director/Curator Karen Schoonover, after leading the gallery for 37 momentous years, retired. The AGR's held a special send-off retirement party to wish Karen a happy retirement. The arts community, board, staff and gallery members came out in large numbers to thank Karen for her many years of dedication and hard work, and to wish her farewell. Karen's contribution to visual arts in Regina, and the province has been immense. We wish her the very best for the next phases of her career.

As I look to the year ahead, I am excited to build on the Art Gallery of Regina's many accomplishments. I want to thank Karen Schoonover for her guidance as I stepped into the Director/Curator position. I also want to acknowledge, and give a huge thank-you to my co-workers Jess Richter and Dianne Strilaeff for their assistance through the transition, and for their continued support, as well as, their hard work and proficiency. I also want to thank the Board of Directors and our accountant Gary Erickson for their dedication and efforts over the past year. Lastly, I want to thank all those who donated to the gallery, volunteered for us, sponsored us, and supported the AGR over the 2015/16 programming year.

Holly Fay,  
Director/Curator

## EXHIBITIONS

### **INTO THE FOREST:** **Debbie Wozniak-Bonk** **Ward Schell** **Hazel Zaharik**

*May 1 – June 30, 2015*

This group exhibition featured the work of three Saskatchewan artists who draw their inspiration from an intimate connection with Nature. Debbie Wozniak-Bonk's work reflected a felt sense of nature - the sensory experience of being alone in the woods. Ward Schell's work focused on the often overlooked detail seen close-up in the underbrush of the forest. And Hazel Zaharik's paintings captured the majesty and lushness of the wilderness. Together the three artists explore the wonders of the forest and the intimate beauty of Nature. Curated by Karen Schoonover. Sponsored by HJ Linnen Associates

### **DIANE LARA:** **Ensō**

*July 8 - August 21, 2015*

Diane Lara's work addressed issues and concerns relating to genetics, issues surrounding genetic testing, and our predisposition to diseases. The exhibition featured circular rubbings of deconstructed intaglio prints, inspired by the tradition of the ensō (Zen circles). Zen Buddhists believe the ensō holds great meaning and that each is different – unique like the

fingerprint of the artist who created it. The belief is that each circle isn't perfect and doesn't have to be because it represents the character of the artist in that exact moment of its creation. Curated by Karen Schoonover.

### **IRIS HAUSER:** **Dress Codes**

*August 26 - October 11, 2015*

This exhibition explored the concept of gender identity, self-image, and self-expression. The show includes a series of individual portraits of some of Hauser's long-time models, portrayed as themselves, rather than in the roles they usually play as actors in staged tableaux. Each of the models chose how they wished to be portrayed and the resulting portraits are an exploration of identity and self-presentation - how we see ourselves and what we choose to project to the world. While the individuality of each person is accented, the underlying text in the series as a whole, is the shared humanity and connectivity of each life. Curated by Karen Schoonover.

### **ZACHARI LOGAN:** **A Natural History of Unnatural Things**

*October 15 - November 27, 2015*

Zachari Logan's meticulous drawings explored intersections between masculinity, identity, memory and place. Logan completed his MFA from the University of Saskatchewan in 2008 and has since been exhibiting his drawings and sculptures nationally and internationally.



Diane Lara, *Ensō* (installation detail)



Iris Hauser, *Jen, Fierce and Frail* (detail)

Recent projects include a residency at Museums Quartier in Vienna, Austria, and solo and group exhibitions in Ottawa, Los Angeles, Mexico, Paris, Amsterdam, London and New York. His exquisitely executed pastel drawings, installations, and ceramic works depict a confluence of human figure and vegetation. Guest Curated by Holly Fay. Sponsored by Greystone Managed Investments, Epic Art + Design.

#### **EDIE MARSHALL:**

##### **Terrain**

*December 11, 2015- February 27, 2016*

This exhibition featured 1,000 small landscape paintings based on iPhone pictures taken by the artist during a road trip throughout the plains and desert areas of the United States. The work referred to instant messaging on social media where people document and post images of their immediate environment, at home or while traveling. These fleeting images become a referential point of personal histories - a way of marking one's place in time and space. By transcribing the fleeting digital images into oil paintings, the artist draws attention to the difference between direct, tactile, experience and virtual reality. Curated by Holly Fay. Sponsored by SaskTel.

#### **40<sup>TH</sup> ANNIVERSARY SALON SHOW AND SALE:**

*March 9 - April 23, 2016*

This 40th Anniversary Annual Salon show featured over 300 original works by more than 120 artists from across the province. This exhibition is installed salon style displaying work floor to ceiling.

#### **OUTSIDE THE BOX:**

Lingtao Jiang: *Fresh*

Bill Hambly: *Rooted Reflections*

Carol Reynolds: *Mostly Winter*

Shelley McGillivray: *Weed Wifery: A Shaman's Journey With Mother Nature*

Arnie, Ron, Aaron Davis:  
*Family Lineage*

#### **SHOWCASE:**

Deb Potter: *Femme Form*

Terrie Ekvall: *Negotiating Balance*

Denise Smith: *Cultured Nature*

Kate Mckinley: *Serving it Up*

## WORKSHOPS

Grant Writing  
(CARFAC)

Creating Shadows with  
Watercolour  
with Beth Gaffney

Mastering Acrylics  
with David Langevin

Introduction to Soft Pastels  
with Zachari Logan

The Art of Lino cutting  
with Nikki Jacquin

Social Media for Artists  
(CARFAC)

Photoshop &  
Preparing Submissions  
with Gary Robins  
(CARFAC)

Painting Fleshtones in Acrylic  
with Nikki Jacquin

The Art of Papercutting  
with Faith Logan

Social Media for Artists (CARFAC)

Critique Session for Artists

## ARTIST TALKS

Debbi Wasniak-Bonk

Iris Hauser

Zachari Logan

The Artist is In: Audrey Dreaver,  
Beth Liber, DeLee Grant,  
Eagleclaw Thom

Stories from the Saskatchewan  
Arts Board Permanent Collection  
presented by Belinda Harrow



Faith Logan, Art of Paper Cutting Workshop



The Artist is In talk



Orange Gala

## COLLABORATION

### 3 AGR EXHIBITION PROJECTS WERE SHARED WITH OTHER GALLERIES IN 2015/16

*Into The Forest* with Slate Fine Art Gallery

Iris Hauser: *Dress Codes* with the Mann Gallery in Prince Albert

Zachari Logan: *A Natural History of Unnatural Things* with the Moose Jaw Museum and Art Gallery and Slate Fine Art Gallery

### 2 EXHIBITIONS ORGANIZED BY THE AGR TRAVELLED TO OTHER GALLERIES IN THE PROVINCE IN 2015/16

Iris Hauser: *Dress Codes* to the Mann Gallery in Prince Albert

Zachari Logan: *A Natural History of Unnatural Things* to the Moose Jaw Museum and Art Gallery

### THE AGR WORKED/ COLLABORATED WITH OVER 30 DIFFERENT CULTURAL GROUPS AND ORGANIZATIONS FOR EVENTS, SHOWS AND PROJECTS IN 2015/16

Neil Balkwill Centre  
 CARFAC Visual Artists  
 Cathedral Village Arts Festival  
 Common Weal  
 Prairie Artists Guild  
 Aurora Art Guild  
 Brushworks Art Guild  
 Regina Federation of Artists  
 HeARTland Artists' Guild  
 Regina and Area Potters' Guild  
 JewellerWon  
 Art by 9  
 Articulate Ink  
 Coteau Books  
 Hagious Press  
 Saskatchewan Writers Guild  
 Saskatchewan Network for Art Collecting

Saskatchewan Arts Board  
 Saskatchewan Writers Guild  
 Imago Mundi  
 Eastview Community Centre  
 Mann Gallery  
 Moose Jaw Gallery  
 Slate Fine Art Gallery  
 Art Walk: (Assiniboia Gallery, Dunlop Art Gallery, Hague Gallery at Creative City Centre, MacKenzie Art Gallery, Mata Gallery, Nouveau Gallery, Sakewewak Artists Collective, Slate Fine Art Gallery, Tatanka Boutique and Traditions Hand Craft Gallery)  
 Prairie Light Photography Festival

*“ Brilliant exhibition – the breadth of this project is so impressive & thoughtful. Perfect installation.”*



## INDEPENDENT AUDITOR'S REPORT

To the Members and Board of Directors of  
**Art Gallery of Regina Inc**

I have audited the accompanying financial statements of the Art Gallery of Regina Inc, which comprise the Statement of Financial Position as at March 31, 2016 and the statement of Operations, Cash Flows and Changes in Net Assets 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 2 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*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

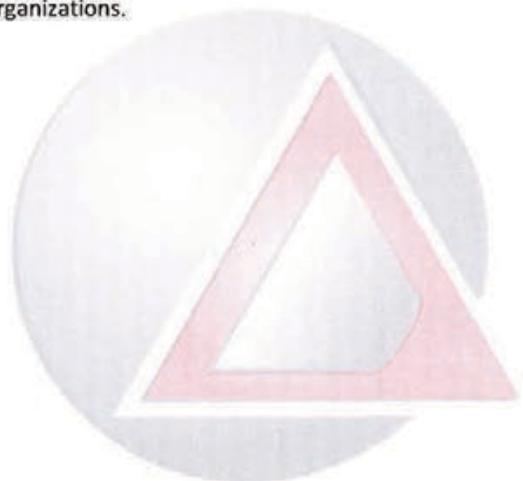
An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.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

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

### *Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of Art Gallery of Regina Inc as at March 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

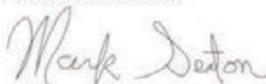
CHARTERED ACCOUNTANT  
PROFESSIONAL CORPORATION  
Regina, Saskatchewan  
May 4, 2016



74 Rawlinson Crescent Regina, Sask. S4S 6G5  
Ph. 306-586-3474 Fax. 306-586-3882  
donmcmillan@accesscomm.ca

<b>ART GALLERY OF REGINA INC</b>			
<b>STATEMENT OF FINANCIAL POSITION</b>			
<b>MARCH 31,</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
		<b>Restated</b>	<b>Restated</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Petty Cash Funds	\$ 204	\$ 204	\$ 185
Cash In Banks	137,998	118,377	47,419
Term Deposits	-	40,000	80,000
	<u>138,202</u>	<u>158,581</u>	<u>127,604</u>
Accounts Receivable	-	-	-
	<u>138,202</u>	<u>158,581</u>	<u>127,604</u>
<b>Capital Assets (Note 2 and 3)</b>			
<b>TOTAL ASSETS</b>	<b>\$ 138,202</b>	<b>\$ 158,581</b>	<b>\$ 127,604</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
<i>Funds Received in Advance (Note 2)</i>			
Memberships & Donations	\$ 6,099	\$ 5,543	\$ 6,085
Sales	3,519	3,383	5,417
City of Regina	82,000	82,000	77,000
Government of Saskatchewan	-	22,788	-
Sponsorships	6,000	8,500	5,500
ArtsVest	-	5,000	2,725
Class Fees	-	34	4,305
	<u>97,618</u>	<u>127,248</u>	<u>101,032</u>
Accounts Payable	-	80	-
	<u>97,618</u>	<u>127,328</u>	<u>101,032</u>
<b>NET ASSETS</b>			
<i>Restricted Net Assets</i>			
Reserve for Capital Expenditures	6,410	4,586	-
Reserve For Succession Planning	6,500	-	-
<i>Total Restricted Net Assets</i>	<u>12,910</u>	<u>4,586</u>	<u>-</u>
<i>Unrestricted Net Assets</i>	<u>27,674</u>	<u>26,667</u>	<u>26,572</u>
<b>Net Assets, End of Year</b>	<b>40,584</b>	<b>31,253</b>	<b>26,572</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 138,202</b>	<b>\$ 158,581</b>	<b>\$ 127,604</b>

On Behalf of The Board



Director

  
Director

<b>ART GALLERY OF REGINA INC</b>			
<b>STATEMENT OF OPERATIONS</b>			
<b>FOR THE YEAR ENDED MARCH 31,</b>			
	2016	2015	2014
		Restated	Restated
<b>REVENUE</b>			
Memberships and Donations	\$ 13,345	\$ 12,432	\$ 14,259
Sale of Work	26,844	23,107	13,965
Interest and GST Rebates	1,650	1,585	2,203
Other Income	50,505	27,943	38,537
Programs and Classes	12,442	13,599	6,190
Grants - City of Regina	82,000	77,000	73,000
- Saskatchewan Arts Board	45,575	45,575	45,575
- Saskatchewan Culture Special Project	-	3,000	
	<u>232,361</u>	<u>204,241</u>	<u>193,729</u>
<b>EXPENSES</b>			
Rent	11,113	11,113	11,114
Telephone	2,012	2,066	1,768
Insurance	1,197	1,061	1,709
Gallery Maintenance	1,980	1,274	739
Artists Fees	9,266	11,735	13,793
Publicity	5,426	6,561	8,795
Postage	5,612	5,019	5,050
Exhibition Expenses	9,530	8,109	7,046
Visiting Artists	500	814	600
Social	902	1,358	544
Photodocumentation	400	1,621	444
Programs and Classes	7,623	7,990	4,140
Salaries	130,881	112,970	110,566
Purchase of Fixed Assets	1,697	1,724	1,146
Office	4,584	4,294	4,345
Bank Service Charges	2,094	1,903	1,491
Miscellaneous	669	549	617
Accountant and Auditor	2,916	2,086	2,333
Fundraising	22,554	20,280	13,587
Photocopying	2,074	1,620	2,180
	<u>223,030</u>	<u>204,146</u>	<u>192,006</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>\$ 9,331</u>	<u>\$ 95</u>	<u>\$ 1,723</u>

<b>ART GALLERY OF REGINA INC</b>			
<b>STATEMENT OF CASH FLOWS</b>			
<b>FOR THE YEAR ENDED MARCH 31,</b>			
	2016	2015	2014
<b>Net Cash Provided (Used) By:</b>			
<b>Operating Activities</b>			
Excess of Revenue over Expenses	\$ 9,331	\$ 95	\$ 1,723
Changes in Non-cash Working Capital Items			
(Increase) Decrease in Accounts Receivable	-	-	-
Increase (Decrease) in Funds Received in Advance			
Sales	136	(2,034)	1,698
Memberships and Donations	556	(541)	(78)
Class Fees	(34)	315	3,275
Saskatchewan Arts Board	-	5,000	77,000
Government of Saskatchewan	(22,788)	22,788	-
Arts Vest	(5,000)	2,275	2,725
Sponsorships	(2,500)	3,000	(6,500)
(Decrease) Increase in Accounts Payable	(80)	80	-
Rounding Adjustment	(1)	(1)	-
	(29,711)	30,882	78,120
<b>Net Cash (Used) Provided by Operations</b>	<b>(20,379)</b>	<b>30,977</b>	<b>79,843</b>
<b>Cash Balance, Beginning of Period</b>	<b>158,581</b>	<b>127,604</b>	<b>47,761</b>
<b>CASH BALANCE, END OF PERIOD</b>	<b>\$ 138,202</b>	<b>\$ 158,581</b>	<b>\$ 127,604</b>
<b>Cash Balance is Comprised of:</b>			
Petty Cash Balances	\$ 204	\$ 204	\$ 185
Cash Deposits in Bank Accounts	137,998	118,377	47,419
Term Deposits	-	40,000	80,000
	\$ 138,202	\$ 158,581	\$ 127,604

**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31,**

	2016				2015
	Unrestricted	Capital Replacement	Succession Planning	Total	Total
Net Assets, Beginning of Year	\$ 26,667	\$ 4,586	\$ -	\$ 31,253	\$ 26,572
Excess of Revenue over Expenses	9,331	-	-	9,331	95
Current Period Restriction					4,586
Capital Replacement	(1,824)	1,824	-	-	-
Succession Planning					
Restricted Contributions	(16,214)		16,214	-	-
Expenditures	9,714		(9,714)	-	-
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 27,674</b>	<b>\$ 6,410</b>	<b>\$ 6,500</b>	<b>\$ 40,584</b>	<b>\$ 31,253</b>

**ART GALLERY OF REGINA INC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2016**

**1. Status of the Organization**

Rosemont Art Gallery Society Inc was incorporated under the provisions of *The Societies Act* on September 24, 1976 and was continued under the provisions of *The Non-profit Corporations Act* of Saskatchewan on September 30, 1981. The Gallery is approved as a Registered Charity under the provision of the *Canadian Income Tax Act*. Currently, the provisions of the *Canadian Income Tax Act* exempt the net income of organizations of this type from taxation. Effective May 17, 2005 the name of the organization was changed to Art Gallery of Regina Inc.

The objects of the Gallery are:

- a) To operate a public art gallery for the benefit of Regina and Saskatchewan citizens; and
- b) To promote the development and appreciation of visual art through art exhibits and public educational programming.

**2. Significant Accounting Policies**

These financial statements are prepared in accordance with generally accepted accounting principles for not for profit organizations. The following items are considered significant:

*Revenue Recognition*

The Gallery receives revenue in the form of contributions, grants, donations and funds generated from self-help activities. The Gallery follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the Gallery can reasonably estimate the amount of the future contribution and collection is reasonably assured. Unrestricted contributions and grants received in advance are deferred and recognized as revenue in the year for which the funding was provided or the related expenses are incurred. Funds received relating to future periods and classes are recorded as Funds Received in Advance. Revenue from sales of work and other revenues are recorded in the period that the revenue is earned.

*Capital Assets*

The Gallery treats the cost of capital asset purchases as an expense in the year that the asset is purchased. No provision for amortization is included in these financial statements.

*Income Taxes*

Currently, the provisions of the *Canadian Income Tax Act* exempt the net income of not for profit organizations from taxation. Accordingly, these financial statements do not reflect a provision for income taxes.

*Use of Estimates*

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions respecting assets, liabilities, revenues and expenses. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the revenue and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

*Financial Instruments*

The Gallery recognizes financial assets and liabilities in its financial statements when the Gallery becomes party to the contractual provision of the financial instrument. Financial assets and liabilities originated in an arm's length transaction are initially measured at fair value adjusted for financing fees, transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. In subsequent years investments in equity instruments are measured at cost less any reduction for impairment with all other financial assets and liabilities being measured at amortized cost. Management reviews its financial instruments annually to determine if there has been a significant adverse change during the period in the expected timing or amount of future cash flows from the financial asset or group of assets. In the event that a significant adverse change has occurred management reduces the carrying value of the asset or group of assets.

**3. Capital Assets**

The Gallery records the cost of capital assets as an expense in the period of acquisition. During the current fiscal year the Gallery spent \$305 on capital assets. In addition, to maintain accountability for the capital assets the Gallery maintains a listing of its capital assets including the original cost of the asset. Annually, management review the asset listing and adjust the record of capital assets for the cost of the assets deemed to be obsolete. During the year Gallery management adjusted asset listing to remove \$7,294 in cost of assets. The asset balances are:

	2016		2015
Office Equipment	\$ 21,053	\$	26,553
Gallery Equipment	12,297		13,786
	<u>\$ 33,350</u>	\$	<u>40,339</u>

---

**ART GALLERY OF REGINA INC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2016**

---

**4. Art Collection**

The Gallery maintains a permanent collection of visual and audio visual materials relevant to its mandate. The collection is not recognized in the statement of financial position and has an estimated appraised value of \$95,300. During the year there were no significant changes in the Gallery's collection. The Gallery carries an insurance policy on its permanent collection in the amount of \$50,000.

**5. Restricted Net Assets**

**Capital Replacement Reserve** - During the 2015 fiscal year the Gallery undertook a capital campaign designed to raise funds to assist the Gallery with the acquisition of capital assets. At the time of undertaking this campaign, the Board of Directors agreed to internally restrict the use of the capital campaign funds and defer recognition of these funds as revenue until the year in which the Gallery spends funds on capital assets and replacements.

**Succession Planning Reserve** - During the 2016 year the Curator retired and the Gallery incurred transition expenses including a duplicate salary for the transition period. The Gallery received funds specifically designated to defray the cost of transition. The Gallery spent some of the funds and the Gallery is accounting for the balance of the funding as a restricted fund balance specifically designated to defray future succession planning expenses.

**6. Grants - Saskatchewan Arts Board**

The amount reported in these financial statements as grant revenue from the Saskatchewan Arts Board is made up of a combination of Lottery and non-Lottery funding. This is made possible through the Partnership Agreement between the Saskatchewan Arts Board and SaskCulture Inc., which is the Trustee for the Culture Section of Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. Under the terms of this agreement, SaskCulture allocated a specific amount of Lottery funds to the Saskatchewan Arts Board as a total envelope of funds available for the program(s) through which this grant was adjudicated and approved.

**7. Commitments**

During the 2013 fiscal year the Gallery renegotiated its lease arrangement with the City of Regina related to the use of space and facilities. The Gallery has entered in to a 5 year lease commencing April 1, 2012 ending March 31, 2017 with one 5 year renewal option. The lease requires an annual base rent of \$1 plus the Gallery's proportionate share of the annual operating costs to a maximum annual amount of \$10,582.50 plus GST.

**8. Financial Instruments**

The Gallery's financial instruments consist of cash, short term investments, accounts receivable, accounts payable and accrued liabilities. The fair value of accounts receivable, accounts payable and accrued liabilities approximate their carrying value given the short term nature of the amounts. The carrying value of short term investments approximates their fair value due to the short term maturity or capacity for prompt liquidation.

*Interest Rate and Market Risk*

The Gallery's investments are typically very short term in nature and are normally Guaranteed Investment Certificates thus mitigating any risk due to interest rate or market fluctuations.

**9. Related Party Transactions and Balances**

The Art Gallery of Regina is related by way of membership to a number of individuals with whom which the Art Gallery transacts business activities. All business activities conducted with related parties are carried out with reference to prevailing market rates. In addition, at the year end of the Gallery there were no outstanding balances between related parties and the Gallery.

**10. Restatement of Comparative Figures**

The figures for the comparative period have been restated to conform with the current period presentation. In addition, during the 2015 fiscal year the Board of Directors designated \$4,585 of donations and contributions for the specific purpose of providing funding for future capital replacements. The original amount was included as funds received in advance for class fees and should have been accounted for as a restricted net asset. The results of this restatement are to decrease funds received in advance for 2015 by \$4,585 with a corresponding increase in the net assets category "Restricted Net Assets - Reserve for Capital Expenditures".

In prior periods the Gallery included an amount for the cost of capital assets on the balance sheet with a corresponding equity account entitled "Equity in Capital Assets". This accounting was not in accordance with generally accepted accounting principles for not for profit organizations. The Gallery removed both of these accounts from its balance sheet and now discloses the cost of its capital asset and changes therein in the notes to the financial statements. The result of this change on the prior period was to reduce the balance of capital assets, for financial statement purposes only, from the balance sheet in the amount of \$40,399 with a corresponding decrease in the account "Equity in Capital Assets".

# ART GALLERY OF REGINA

Art Gallery of Regina Inc.  
Neil Balkwill Civic Arts Centre  
2420 Elphinstone Street, PO Box 1790  
Regina, SK S4P 3C8

306.522.5940  
AGR@sasktel.net  
www.artgalleryofregina.ca

