

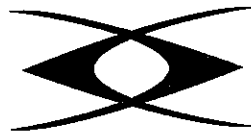
**THE GREEN THUMB PLAYERS SOCIETY**

**Financial Statements**

**June 30, 2009**



**BLUE FISH GROUP**  
CHARTERED ACCOUNTANTS



**BLUE FISH GROUP**  
CHARTERED ACCOUNTANTS

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**AUDITORS' REPORT**

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To the Members of The Green Thumb Players Society

We have audited the statement of financial position of The Green Thumb Players Society as at June 30, 2009 and the statement of operations and fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

*Blue Fish Group*

Chartered Accountants

Burnaby, B.C.  
September 1, 2009

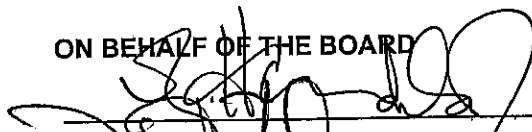
**THE GREEN THUMB PLAYERS SOCIETY**

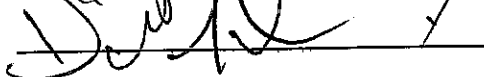
**Statement of Financial Position**

**June 30, 2009**

	2009	2008
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and short term investments	\$ 124,371	\$ 68,764
Accounts receivable	9,447	13,863
Prepaid expenses and deposits	27,894	16,175
	161,712	98,802
<b>CASH AND TERM DEPOSITS IN:</b>		
Gerald and Sheahan McGavin Stabilization Fund	142,487	159,132
<b>PROPERTY AND EQUIPMENT (Note 3)</b>		
	43,491	54,739
	<b>\$ 347,690</b>	<b>\$ 312,673</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Bank indebtedness - David Northrup Capital Projects Fund	\$ -	\$ 171
Accounts payable and accrued liabilities	39,359	41,012
Deferred income	142,679	49,188
	182,038	90,371
 <b>CONTINGENCIES (Note 8)</b>		
<b>COMMITMENTS (Note 9)</b>		
<b>FUND BALANCES</b>		
<b>OPERATING FUND</b>		
Unrestricted	(20,326)	8,602
Net investment in capital assets	43,491	54,739
	23,165	63,341
 <b>DAVID NORTHRUP CAPITAL PROJECTS FUND</b>		
	-	(171)
<b>GERALD AND SHEAHAN MCGAVIN STABILIZATION FUND</b>		
	142,487	159,132
	165,652	222,302
	<b>\$ 347,690</b>	<b>\$ 312,673</b>

ON BEHALF OF THE BOARD

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

See accompanying notes to financial statements



**BLUE FISH GROUP**  
CHARTERED ACCOUNTANTS

**THE GREEN THUMB PLAYERS SOCIETY**  
**Statement of Operations and Fund Balances**  
**Year Ended June 30, 2009**

	<b>2009</b>						<b>2008</b>	
	<u>Operating Fund (Schedule 1)</u>							
	Unrestricted	Net Investment in Property and Equipment	Total	David Northrup Capital Projects Fund (Schedule 2)	Gerald and Sheahan McGavin Stabilization Fund (Schedule 3)	Total	Total	
Revenues	\$ 1,021,618	\$ 1,217	\$ 1,022,835	\$ 4,263	\$ -	\$ 1,027,098	\$ 1,169,056	
Expenditures	1,047,680	15,331	1,063,011	16,707	-	1,079,718	1,174,965	
Excess (deficiency) of revenues over expenditures	(26,062)	(14,114)	(40,176)	(12,444)	-	(52,620)	(5,909)	
Endowment Fund Contributions (Note 6)	-	-	-	(4,030)	-	(4,030)	(50,000)	
Interfund transfers, net (Note 7)	-	-	-	16,645	(16,645)	-	-	
Net proceeds of disposal over purchase of property and equipment	(2,866)	2,866	-	-	-	-	-	
Fund balance, beginning of year	8,602	54,739	63,341	(171)	159,132	222,302	278,211	
Fund balance, end of year	\$ (20,326)	\$ 43,491	\$ 23,165	\$ -	\$ 142,487	\$ 165,652	\$ 222,302	

See accompanying notes to financial statements

**THE GREEN THUMB PLAYERS SOCIETY**

**Statement of Cash Flows**

**Year Ended June 30, 2009**

	2009	2008
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenues over expenditures and endowment fund contributions	\$ (56,650)	\$ (55,909)
Items not affecting cash:		
Amortization	15,331	23,516
Gain on disposal of property and equipment	(1,217)	-
	<u>(42,536)</u>	<u>(32,393)</u>
Changes in non-cash working capital:		
Accounts receivable	4,416	2,618
Prepaid expenses and deposits	(11,719)	(13,683)
Accounts payable and accrued liabilities	(1,653)	(14,321)
Deferred income	93,491	(70,964)
	<u>84,535</u>	<u>(96,350)</u>
Cash flow from (used by) operating activities	<u>41,999</u>	<u>(128,743)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(5,366)	(3,238)
Proceeds on disposal of property and equipment	2,500	-
	<u>(2,866)</u>	<u>(3,238)</u>
Cash flow used by investing activities		
	39,133	(131,981)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>227,725</b>	<b>359,706</b>
<b>CASH - Beginning of year</b>	<b>227,725</b>	<b>359,706</b>
<b>CASH - End of year</b>	<b>\$ 266,858</b>	<b>\$ 227,725</b>
<b>CASH CONSISTS OF CASH AND SHORT-TERM INVESTMENTS FOR:</b>		
General operations	\$ 124,371	\$ 68,764
David Northrup Capital Projects Fund	-	(171)
Gerald and Sheahan McGavin Stabilization Fund	142,487	159,132
	<u>\$ 266,858</u>	<u>\$ 227,725</u>
	<u>\$ 266,858</u>	<u>\$ 227,725</u>

See accompanying notes to financial statements

# THE GREEN THUMB PLAYERS SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2009

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### 1. PURPOSE AND AUTHORITY

The Society's main purpose is to develop and produce new Canadian plays for young audiences and present them in schools, theatres and other community gathering places throughout British Columbia and the world.

The Society is incorporated under the British Columbia Society Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

The Society's ability to continue as a going concern is dependent upon the continuing financial support of the various government agencies and its creditors and its ability to raise funds from fund-raising activities.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles including the following significant policies:

#### Fund accounting

The Society accounts provide for separate fund balances to be maintained at various times in order to recognize restrictions imposed on the use of available resources. The statement of financial position and statement of cash flows combine all funds. The Society follows the restricted fund method of accounting for contributions.

i) The Operating Fund accounts for the Society's program delivery and administrative activities.

ii) The David Northrup Capital Projects Fund ("Northrup Fund") accumulates funds to purchase capital assets, leasehold improvements, costs relating to the acquisition of a permanent facility, relocation and moving expenses, and extraordinary marketing, production or administrative expenses. These funds can only be expended by approval of the Board and must be expended for their intended purpose within three years of their allocation to the Fund. As per board approval, interest earned from the Fund balances is recognized in the Operating Fund. The Fund also accumulates endowment donations and other revenue designated to be contributed to the Vancouver Foundation.

iii) The Gerald and Sheahan McGavin Stabilization Fund ("McGavin Fund") is comprised of funds provided by the Vancouver Arts Stabilization Team (VAST) during 1997 to 2001 to assist the Society in meeting working capital requirements and to fund new initiatives. The funds may only be used in accordance with a funding agreement issued by VAST and guidelines authorized by the VAST Board of Directors. This agreement requires the approval of the Society's Board for any expenditure from the Fund as well as a plan to replace the funds over time. Interest earned from the Fund is recognized in the Operating Fund.

#### Cash and short term investments

Cash and short term investments include short-term investments recorded at the lower of actual cost and fair market value.



# THE GREEN THUMB PLAYERS SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2009

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Revenue recognition

Externally restricted contributions related to a Restricted Fund are recognized in that fund in the year received. All other restricted contributions are recorded in the Operating Fund in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Grants from various foundations and government agencies are recorded as revenue when notice of approval is received or conditions fulfilled.

Donations from the general public are recorded upon receipt of the donated assets.

The Society does not record donated materials and services except for high value items used in the normal course of operations that would otherwise be purchased, and for which fair value is supported by an independent appraisal. Such items are recognized at fair value.

#### Deferred income and prepaid expenses

These items represent revenues and expenditures related to productions which will commence in the next fiscal year.

#### Property and equipment, and amortization

Purchased property and equipment are recorded at cost, and contributed property and equipment are recorded at fair market value at the date of contribution. Amortization is computed using the declining balance basis at the following annual rates:

Vehicles	30%	declining balance method
Office furniture and equipment	20%	declining balance method
Computer equipment	30%	declining balance method
Theatrical equipment	20%	declining balance method

No amortization is claimed in the year of disposal.

#### Asset retirement obligations

Legal obligations related to asset retirement obligations are recognized when a reasonable estimate of fair value can be made. These obligations are recorded at fair value with a corresponding increase in asset value. The liability is accreted over the life of the asset to fair value and the increase in asset value is depreciated over the remaining useful life of the asset. This includes future removal and site restorations costs as required due to environmental law or contracts. Management has determined that the Society has no asset retirement obligations at year end.



# THE GREEN THUMB PLAYERS SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2009

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### Financial instruments

Financial instruments are included on the organization's statement of financial position and measured either at fair value or, in certain circumstances when fair value may not be considered most relevant, at cost or amortized cost. Changes in fair value, if any, are to be recognized in the statements of revenue and expenditures and the statement of net assets.

All financial instruments are classified into one of the following five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets, or other financial liabilities. Initial and subsequent measurement and recognition of changes in the value of financial instruments depends on their initial classification.

The organization's financial instruments consist of cash and term deposits, accounts receivable, and accounts payable and accrued liabilities. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of the financial instruments approximate their carrying values, given the short-term nature of these instruments.

The value of the Endowment Fund is as disclosed in Note 6.

The organization has classified its financial instruments as follows:

- Cash and cash equivalents are classified as held-for-trading. Held-for-trading financial instruments are measured at fair value at the balance sheet date with all related income, expenses, gains and losses recognized in net income.
- Accounts receivable is classified as loans and receivables. Loans and receivables are measured at amortized cost.
- Short term investments and term deposits are classified as held-to-maturity. Held-to-maturity financial assets are those financial assets the organization intends to hold until their maturity date and consist of guaranteed investment certificates (GICs). Held-to-maturity financial assets are measured at amortized cost.
- Accounts payable and accrued liabilities are classified as other financial liabilities. Other financial liabilities are measured at amortized cost.

#### Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the period reported. Actual results may differ from those estimates.

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**THE GREEN THUMB PLAYERS SOCIETY**

**Notes to Financial Statements**

**Year Ended June 30, 2009**

**3. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	2009 Net book value	2008 Net book value
Vehicles	\$ 70,399	\$ 51,808	\$ 18,591	\$ 27,842
Office furniture and equipment	13,287	11,362	1,925	2,406
Computer equipment	39,000	32,621	6,379	9,111
Theatrical equipment	61,568	44,972	16,596	15,380
	<u>\$ 184,254</u>	<u>\$ 140,763</u>	<u>\$ 43,491</u>	<u>\$ 54,739</u>

**4. GRANTS**

	2009	2008
Total grants received during the year is comprised of:		
Operating		
Canada Council - operating	\$ 234,000	\$ 213,000
Canada Council - other	15,000	35,000
B.C. Arts Council	121,000	95,000
City of Vancouver	55,000	55,000
Greater Vancouver Regional District	8,500	5,000
	<u>433,500</u>	<u>403,000</u>
Programs		
Canada Council - Touring	15,000	17,950
Human Resources & Skills Development	-	2,043
Vancouver Foundation under the Medici Program	35,000	40,000
Canadian Heritage	1,375	-
	<u>51,375</u>	<u>59,993</u>
	<u>\$ 484,875</u>	<u>\$ 462,993</u>



# THE GREEN THUMB PLAYERS SOCIETY

## Notes to Financial Statements

Year Ended June 30, 2009

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### 5. DONATIONS

	2009	2008
Foundations	55,098	84,700
Corporate	69,760	110,556
Private	4,452	4,642
In-Kind	3,130	-
	<u>\$ 132,440</u>	<u>\$ 199,898</u>

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### 6. ENDOWMENT FUND

Endowment fund contributions totaling \$292,290 (2008 - \$290,837) have been made to the Vancouver Foundation in the name of Green Thumb Theatre for Young People Endowment Fund. Under the terms of a Deed of Gift established in 1984, the capital amounts will remain the property of and be administered by the Vancouver Foundation. Income received from this fund is available for either operating or capital expenditures. Prior to the 2009 fiscal year, the fund had accumulated, from contributions by the Society, a total of \$134,500; matching contributions of \$80,000 from the Vancouver Foundation, \$26,337 from the Government of Canada, Department of Canadian Heritage (Canadian Arts & Heritage Sustainability Program Endowment Incentives Component) and \$50,000 from the British Columbia Arts Renaissance Fund Endowment Program were also made to the fund. During the year, the Society, through the David Northrup Capital Projects Fund, contributed an additional \$4,030 to the endowment fund. \$2,577 was distributed as capital redemptions from the fund.

Income is allocated to the Society based on the market value of the endowment fund investment which was \$309,105 as at June 30, 2009 (2008 - \$348,848). Endowment fund interest income distributed to the Society during the year amounted to \$11,551 (2008 - \$12,947). The endowment fund interest income is recognized in the Operating Fund.

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### 7. INTERFUND TRANSFERS

During the year, the board of Directors resolved to transfer funds from the McGavin Fund to cover any shortfall in relocation and moving expenses incurred by the Northrup Fund along with any other shortfalls and prior deficits. As a result, a transfer of \$16,645 was made from the McGavin Fund to the Northrup Fund.

A total of \$50,889 (\$16,645 in 2009 plus \$34,244 in 2008) has been transferred in the last two fiscal years from the McGavin Fund to the Northrup Fund. Management anticipates repayment of these funds to the McGavin Fund from future operating surpluses.

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### 8. CONTINGENCIES

The Society has issued a letter of guarantee in the amount of \$34,600 (2008 - \$34,600) as requested by the Canadian Actor's Equity Association, which is not recorded in these accounts. The guarantee provides security to the Canadian Actor's Equity Association and its members for related obligations of the Society. The guarantee is secured by a specific guaranteed investment certificate (GIC) in the amount of \$34,600.

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THE GREEN THUMB PLAYERS SOCIETY

Notes to Financial Statements

Year Ended June 30, 2009

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9. COMMITMENTS

Operating Leases:

The Society is committed under certain lease agreements for equipment and for office premises. Future minimum lease payments, for the next five years, are as follows:

2010	\$	46,568
2011		9,028
2012		5,604
2013		4,203
2014		-
	\$	<u>65,403</u>

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**THE GREEN THUMB PLAYERS SOCIETY**  
**Statements of Operations - Operating Fund (Schedule 1)**  
**Year Ended June 30, 2009**

	2009	2008
<b>REVENUE</b>		
Operating		
Grants (Note 4)	\$ 484,875	\$ 462,993
Tour	302,305	342,254
Box office	9,877	67,175
Fundraising		
Donations (Note 5)	132,440	199,898
B.C. Gaming Commission	48,359	46,500
Special events	10,892	299
Royalty	16,181	24,144
Endowment fund interest (Note 6)	11,551	12,947
Investment	4,775	9,734
Sundry	363	2,112
Gain on disposal of property and equipment	1,217	-
	<u>1,022,835</u>	<u>1,168,056</u>
<b>EXPENDITURES</b>		
Production		
Artistic fees and salaries	258,939	317,959
Technical fees and salaries	175,992	195,288
Royalties	54,262	52,277
Publicity and promotion	53,941	70,979
Tours	51,424	53,505
Sets	35,099	43,872
Theatre rent	17,062	10,017
Bad debts	329	-
	<u>647,048</u>	<u>743,897</u>
Administration		
Administrative fees and salaries	226,384	196,197
Fundraising	52,548	64,709
Rent	43,899	24,244
Office and miscellaneous	37,109	60,781
Travel	15,841	15,140
Amortization	15,331	23,516
Accounting and audit	12,474	13,865
Insurance	11,742	11,670
Utilities	635	5,147
	<u>415,963</u>	<u>415,269</u>
	<u>1,063,011</u>	<u>1,159,166</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (40,176)</u>	<u>\$ 8,890</u>

See accompanying notes to financial statements



**THE GREEN THUMB PLAYERS SOCIETY**  
**Statements of Operations and Fund Balances**  
**David Northrup Capital Projects Fund (Schedule 2)**  
**Year Ended June 30, 2009**

	2009	2008
<b>REVENUE</b>		
Donations received for endowment fund contributions	\$ 4,263	\$ 1,000
<b>EXPENDITURES</b>		
Event expense	250	-
New play commissions	-	11,950
Relocation and moving	16,457	3,846
	<u>16,707</u>	<u>15,796</u>
<b>DEFICIENCY OF REVENUE OVER EXPENDITURES</b>	(12,444)	(14,796)
<b>ENDOWMENT FUND CONTRIBUTIONS (Note 6)</b>	(4,030)	(50,000)
<b>INTERFUND TRANSFERS (Note 7)</b>		
Interfund transfer from Operating Fund	-	8,887
Loan from Gerald and Sheahan McGavin Stabilization Fund	16,645	34,244
	<u>16,645</u>	<u>43,131</u>
<b>DEFICIENCY OF REVENUE OVER EXPENDITURES, ENDOWMENT FUND CONTRIBUTIONS AND INTERFUND TRANSFERS</b>	171	(21,665)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>(171)</u>	<u>21,494</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ -</u>	<u>\$ (171)</u>

See accompanying notes to financial statements



**THE GREEN THUMB PLAYERS SOCIETY**  
**Statements of Operations and Fund Balances**  
**Gerald and Sheahan McGavin Stabilization Fund (Schedule 3)**  
**Year Ended June 30, 2009**

	2009	2008
REVENUE	\$ -	\$ -
EXPENDITURES	-	-
EXCESS OF REVENUE OVER EXPENDITURES	-	-
INTERFUND TRANSFERS (Note 7)		
Loan to David Northrup Capital Projects Fund	(16,645)	(34,244)
FUND BALANCE, BEGINNING OF YEAR	159,132	193,376
FUND BALANCE, END OF YEAR	<u>\$ 142,487</u>	<u>\$ 159,132</u>

See accompanying notes to financial statements



**BLUE FISH GROUP**  
 CHARTERED ACCOUNTANTS