

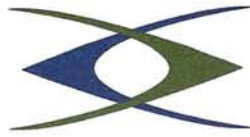
THE GREEN THUMB PLAYERS SOCIETY

Financial Statements

June 30, 2010



BLUE FISH GROUP
CHARTERED ACCOUNTANTS



BLUE FISH GROUP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

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, 2010 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, 2010 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 15, 2010



THE GREEN THUMB PLAYERS SOCIETY

Statement of Financial Position

June 30, 2010

	2010	2009
ASSETS		
CURRENT		
Cash and short term investments	\$ 30,810	\$ 124,371
Accounts receivable	10,658	9,449
Prepaid expenses and deposits	12,909	27,894
	54,377	161,714
CASH AND TERM DEPOSITS IN:		
Gerald and Sheahan McGavin Stabilization Fund	142,487	142,487
PROPERTY AND EQUIPMENT (Note 3)	41,016	43,491
	\$ 237,880	\$ 347,692
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 25,493	\$ 39,359
Deferred income	88,187	142,679
	113,680	182,038
CONTINGENCIES (Note 8)		
COMMITMENTS (Note 9)		
FUND BALANCES		
OPERATING FUND		
Unrestricted	(59,303)	(20,324)
Net investment in capital assets	41,016	43,491
	(18,287)	23,167
DAVID NORTHRUP CAPITAL PROJECTS FUND	-	-
GERALD AND SHEAHAN MCGAVIN STABILIZATION FUND	142,487	142,487
	124,200	165,654
	\$ 237,880	\$ 347,692

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, 2010

	2010						2009	
	<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	\$ 790,240	\$ -	\$ 790,240	\$ -	\$ -	\$ 790,240	\$ 1,027,098	
Expenditures	818,319	13,375	831,694	-	-	831,694	1,079,718	
Excess (deficiency) of revenues over expenditures	(28,079)	(13,375)	(41,454)	-	-	(41,454)	(52,620)	
Endowment Fund Contributions (Note 6)	-	-	-	-	-	-	(4,030)	
Interfund transfers, net (Note 7)	-	-	-	-	-	-	-	
Purchase of property and equipment	(10,900)	10,900	-	-	-	-	-	
Fund balance, beginning of year	(20,324)	43,491	23,167	-	142,487	165,654	222,304	
Fund balance, end of year	\$ (59,303)	\$ 41,016	\$ (18,287)	\$ -	\$ 142,487	\$ 124,200	\$ 165,654	

See accompanying notes to financial statements



THE GREEN THUMB PLAYERS SOCIETY

Statement of Cash Flows

Year Ended June 30, 2010

	2010	2009
OPERATING ACTIVITIES		
Deficiency of revenues over expenditures and endowment fund contributions	\$ (41,454)	\$ (56,650)
Item not affecting cash:		
Amortization	13,375	15,331
Gain on disposal of property and equipment	-	(1,217)
	<u>(28,079)</u>	<u>(42,536)</u>
Changes in non-cash working capital:		
Accounts receivable	(1,209)	4,416
Prepaid expenses and deposits	14,985	(11,719)
Accounts payable and accrued liabilities	(13,866)	(1,653)
Deferred income	(54,492)	93,491
	<u>(54,582)</u>	<u>84,535</u>
Cash flow from (used by) operating activities	<u>(82,661)</u>	<u>41,999</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(10,900)	(5,366)
Proceeds on disposal of property and equipment	-	2,500
	<u>(10,900)</u>	<u>(2,866)</u>
Cash flow used by investing activities	<u>(10,900)</u>	<u>(2,866)</u>
INCREASE (DECREASE) IN CASH FLOW	(93,561)	39,133
CASH - Beginning of year	266,858	227,725
CASH - End of year	\$ 173,297	\$ 266,858
CASH CONSISTS OF CASH AND SHORT-TERM INVESTMENTS FOR:		
General operations	\$ 30,810	\$ 124,371
Gerald and Sheahan McGavin Stabilization Fund	142,487	142,487
	<u>\$ 173,297</u>	<u>\$ 266,858</u>

See accompanying notes to financial statements



BLUE FISH GROUP
CHARTERED ACCOUNTANTS

THE GREEN THUMB PLAYERS SOCIETY

Notes to Financial Statements

Year Ended June 30, 2010

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, 2010

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.

Interest income is recognized as revenue in the year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

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, 2010

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.

Comparative figures

Certain of the prior year's figures have been reclassified to be consistent with the current year's presentation.



THE GREEN THUMB PLAYERS SOCIETY

Notes to Financial Statements

Year Ended June 30, 2010

3. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2010 Net book value	2009 Net book value
Vehicles	\$ 70,399	\$ 57,385	\$ 13,014	\$ 18,591
Office furniture and equipment	13,287	11,747	1,540	1,925
Computer equipment	38,999	34,534	4,465	6,378
Theatrical equipment	72,468	50,471	21,997	16,597
	<u>\$ 195,153</u>	<u>\$ 154,137</u>	<u>\$ 41,016</u>	<u>\$ 43,491</u>

4. GRANTS

	2010	2009
Total grants received during the year is comprised of:		
Operating		
Canada Council - operating	\$ 234,000	\$ 234,000
Canada Council - other	4,000	15,000
B.C. Arts Council - operating	121,000	121,000
B.C. Arts Council - other	13,687	-
City of Vancouver	55,000	55,000
Greater Vancouver Regional District	8,500	8,500
Cultural Human Resources Council	5,500	-
	<u>441,687</u>	433,500
Programs		
Canada Council - Touring	29,000	15,000
Vancouver Foundation under the Medici Program	-	35,000
Canadian Heritage	4,492	1,375
B.C. Arts Council - Project grant	9,000	-
	<u>42,492</u>	51,375
	<u>\$ 484,179</u>	<u>\$ 484,875</u>



THE GREEN THUMB PLAYERS SOCIETY

Notes to Financial Statements

Year Ended June 30, 2010

5. DONATIONS

	2010	2009
Foundations	23,000	55,098
Corporate	55,200	69,760
Private	6,196	4,452
In-Kind	295	3,130
	<u>\$ 84,691</u>	<u>\$ 132,440</u>

6. ENDOWMENT FUND

Endowment fund contributions totaling \$294,867 (2009 - \$292,290) 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. In 2009, the Society, through the David Northrup Capital Projects Fund, contributed an additional \$4,030 to the endowment fund.

Income is allocated to the Society based on the market value of the endowment fund investment which was \$313,674 as at June 30, 2010 (2009 - \$309,105). Endowment fund interest income distributed to the Society during the year amounted to \$10,434 (2009 - \$11,551). In addition, as at June 30, 2010, \$3,096 of interest income earned is available to be distributed from the Vancouver Foundation to the Society. This interest income has been accrued in the accounts of the Society.

7. INTERFUND TRANSFERS

A total of \$50,889 (\$16,645 in 2009 plus \$34,244 in 2008) has been transferred from the McGavin Fund to the Northrup Fund in prior years. Management anticipates repayment of these funds to the McGavin Fund from future operating surpluses. No formal repayment plan has been established.

8. CONTINGENCIES

The Society has issued a letter of guarantee in the amount of \$30,000 (2009 - \$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 \$30,000.



THE GREEN THUMB PLAYERS SOCIETY

Notes to Financial Statements

Year Ended June 30, 2010

9. COMMITMENTS

Operating Leases:

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

2011	\$	33,665
2012		32,482
2013		31,081
2014		2,240
2015		-
	\$	<u>99,468</u>



THE GREEN THUMB PLAYERS SOCIETY
Statements of Operations - Operating Fund (Schedule 1)
Year Ended June 30, 2010

	2010	2009
REVENUE		
Operating		
Grants (Note 4)	\$ 484,179	\$ 484,875
Tour	170,475	302,305
Box office	13,940	9,877
Fundraising		
Donations (Note 5)	84,691	132,440
B.C. Gaming Commission	8,141	48,359
Special events	1,151	10,892
Royalty	11,314	16,181
Endowment fund interest (Note 6)	13,530	11,551
Investment	1,802	4,775
Sundry	1,017	363
Gain on disposal of property and equipment	-	1,217
	790,240	1,022,835
EXPENDITURES		
Production		
Artistic fees and salaries	164,027	206,753
Technical fees and salaries	105,782	150,420
Royalties	32,262	54,262
Publicity and promotion	39,028	53,941
Tours	53,883	51,424
Sets	14,148	35,099
Theatre rent	11,657	17,062
Bad debts	818	329
	421,605	569,290
Administration		
Administrative fees and salaries	278,086	304,142
Fundraising	22,987	52,548
Rent	43,579	43,899
Office and miscellaneous	26,612	37,106
Travel	9,315	15,841
Amortization	13,375	15,331
Accounting and audit	8,113	12,474
Insurance	7,539	11,742
Utilities	483	635
	410,089	493,718
	831,694	1,063,008
DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ (41,454)	\$ (40,173)

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, 2010

	2010	2009
REVENUE		
Donations received for endowment fund contributions	\$ -	\$ 4,263
EXPENDITURES		
Event expense	-	250
Relocation and moving	-	16,457
	-	16,707
DEFICIENCY OF REVENUE OVER EXPENDITURES	-	(12,444)
ENDOWMENT FUND CONTRIBUTIONS (Note 6)	-	(4,030)
INTERFUND TRANSFERS (Note 7)		
Loan from Gerald and Sheahan McGavin Stabilization Fund	-	16,645
DEFICIENCY OF REVENUE OVER EXPENDITURES, ENDOWMENT FUND CONTRIBUTIONS AND INTERFUND TRANSFERS	-	171
FUND BALANCE, BEGINNING OF YEAR	-	(171)
FUND BALANCE, END OF YEAR	\$ -	\$ -

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, 2010

	2010	2009
REVENUE	\$ -	\$ -
EXPENDITURES	-	-
EXCESS OF REVENUE OVER EXPENDITURES	-	-
INTERFUND TRANSFERS <i>(Note 7)</i>		
Loan to David Northrup Capital Projects Fund	-	(16,645)
FUND BALANCE, BEGINNING OF YEAR	<u>142,487</u>	<u>159,132</u>
FUND BALANCE, END OF YEAR	<u>\$ 142,487</u>	<u>\$ 142,487</u>

See accompanying notes to financial statements