

Agenda

March 20 / 5pm – 6pm

1	Introductory Remarks	Melinda Munro
2	Approval of the 2024 AGM Agenda MOTION REQUIRED	Anastasia Adams
3	Approval of the Minutes of the Annual General Meeting March 21, 2024 MOTION REQUIRED	Anastasia Adams
4	Board Chair's Address	Melinda Munro
5	Executive Director's Report	Jennifer Matotek
6	Treasurer's Report and Review of Audited Financial Statements MOTION REQUIRED	Alex Baker
7	Appointment of Auditors MOTION REQUIRED	Alex Baker
8	Election of Directors MOTION REQUIRED	Anastasia Adams
9	Adjournment MOTION REQUIRED	Melinda Munro

Election of Directors

The Board of Directors have placed in nomination the following candidates:

For a term of 1 year, ending in March 2026

Jennifer Snyder
David Pitawanakwat
Sawyer Everitt-Dejonge
Justice Doughty-Pilgrim
Benjamin Iannetta
Rebecca Saad
Yahia Abdelbar

For a term of 2 years, ending in March 2027

Anthony Youssef
Keith Henry
Selina Facca
Lubna Alsamer Barakat

For a term of 3 years, ending in March 2028

Wendy Furtado-Pressacco

Board members currently serving unexpired terms not subject to re-election

Melinda Munro
Phillip Olla
Zoja Holman
Anastasia Adams
Wen Teoh
Evelina Baczewska
James Pineault
Nathalie Roy

Proxy Ballot

Printed Proxy Ballots are available upon request for pick up or can be mailed.

Please RSVP by March 12, 2025

RSVP by visiting our website at artwindsorsex.ca/board-reports/
Or call us at 519-977-0013

Minutes of the Annual General Meeting of the Members of Art Windsor-Essex

HELD ON THURSDAY, MARCH 21 2024 5-6pm

Chair: Alex Baker

1) Introductory Remarks - Board Chair, Alex Baker welcomed members and invited guests to the Annual General Meeting, calling the meeting to order at 5:02pm.

2) Approval of the 2023 AGM Agenda MOTION was made by Nathalie Roy, seconded by Zoja Holman to approve the 2023 AGM Agenda as presented. CARRIED.

3) Adoption of the Minutes: MOTION was made by James Pineault, seconded by Phillip Olla to adopt the minutes of Annual General Meeting held on April 20, 2023 . CARRIED.

4) Chair, Alex Baker, shared highlights from 2023 at AWE and thanked the gallery's members and supporters.

5) Executive Director's Report - Presented by Jennifer Matotek. Her presentation highlighted the gallery's achievements and successes in 2023. She closed with much appreciation for everyone for their support in 2023.

6) Treasurer's Report and Review of Audited Financial Statements - Vice Chair, Melinda Munro presented a the year end treasurer report and review of the 2023 audited statements prepared by Capital Assist Professional Corporation.

MOTION was made by Anastasia Adams, and seconded by Zoja Holman to adopt the Treasurer's Report and audited financial statements for the year ending on December 31, 2023 as presented. CARRIED.



Minutes of the Annual General Meeting of the Members of Art Windsor-Essex

7) Appointment of Auditors – Melinda Munro reported that the Board recommends Capital Assist Professional Corporation as the auditor for Art Windsor-Essex for the 2024 fiscal year.

MOTION was made by Gid Sovran, seconded by Wen Teoh, to appoint Capital Assist Professional Corporation as the auditors for the 2024 fiscal year. CARRIED.

8) Approval of Revision to the Bylaws – Gid Sovran presented bylaw revisions along with the rationale for the proposed bylaw changes.

MOTION was made by Melinda Munro, seconded by Alex Baker, to adopt proposed changes to the bylaws as presented. CARRIED.

9) Approval of Changes to the Articles of Incorporation – Gid Sovran presented revisions along with the rationale for the proposed revisions to the Articles of Incorporation.

MOTION was made by Ryan Peebles, seconded by Federica Nazzani, to adopt proposed changes to the bylaws as presented. CARRIED.

10) ELECTION OF DIRECTORS

For a term of one year, ending in March 2025

Jhennel Young, John Parent, Selina Facca, Anthony Youssef

For a term of two years, ending in March 2026

Anastasia Adams, Zoja Holman, Nathalie Roy, James Pineault, Wen Teoh

For a term of three years, ending in March 2027

Melinda Munro, Kiemia Rezagian

MOTION was made by Ryan Peebles, seconded by James Pineault, to accept the proposed Board slate as presented. CARRIED.

1)Adjournment – The meeting adjourned at 5:41pm by motion of James Pineault.

Incoming Board Slate

For a term of one year, ending in March 2026



Jennifer Snyder (New)

Jennifer Snyder is Chief Digital Officer at the Detroit Institute of Art. “Over the past 15 years, I have dedicated my career to transforming how museums connect with their audiences through digital innovation. Now, I am eager to broaden my perspective by serving on a board, where I can contribute firsthand and deepen my understanding of governance, decision-making, and strategic priorities from this new vantage point. The gallery’s dedication to education, engagement, and lifelong learning aligns with my belief in the transformative power of art to inspire growth and connection.”



David Pitawanakwat (New)

David Pitawanakwat is currently a sessional instructor at UWindsor Faculty of Law. Prior to this, David worked for two years at Legal Assistance of Windsor after graduating valedictorian at UWindsor Law. His volunteer experience is deep and has roots both in Windsor and Detroit. “I have an interest in promoting Indigenous identity through the arts to the broader public.”



Sawyer Everitt-Dejonge (New)

Sawyer Everitt-Dejonge leads Design and Procurement at EverJonge Homes. “I am deeply passionate about supporting and fostering the growth of art and culture within Windsor-Essex County. This area is brimming with potential. I firmly believe that the development and celebration of its artistic and cultural landscape will play a pivotal role in realizing that potential. My goal is to support the ongoing success and reach of AWE, ensuring it continues to thrive as a cornerstone of creativity and cultural enrichment in our region, and to foster a more cohesive and integrated Windsor-Essex County. I am excited about the opportunity to contribute to this remarkable organization and I would be honoured to join the Board.”



Justice Doughty-Pilgrim (New)

Justice Doughty-Pilgrim works in Allocations at the Windsor Essex Community Housing Corporation, and is a long-time AWE visitor and member. "I have dedicated my life to working with the public in a real and meaningful way. Originally working in donations allocations and now in community housing. My ultimate goal would be to combine my experience working with underprivileged and marginalized groups with my passion and dedication for the arts."



Benjamin Iannetta (New)

A Senior Application Analyst at TransForm, Benjamin has a background in business and computer science, and is a Member of the Young Professionals of Windsor. As a long-time resident of Windsor, I am always looking for ways to help give back to my community, especially in the area of creative arts. I believe the art gallery helps provide a community for artists and art appreciation and can be a driver for more creativity in our city."



Rafca Rebecca Saad (New)

Rebecca Rafca Saad is the Education program manager at the Multicultural Council of Windsor and Essex County. "This opportunity aligns my personal passion for the art and my desire to make an impact. I strongly believe that collectively we can get more and more people in our community interested in visiting the amazing state-of-the-art "Art Gallery" that we have available - especially the newcomer community whom I work closely with."



Yahia Abdelbar (New)

Yahia Abdelbar is Managing partner of E advisory, and an instructor at University of Windsor, St. Clair College, and Wayne State University. He has professional expertise in finance and strategic planning and seeks to support the AWE Board's vision of advancing the arts in Windsor-Essex.

For a term of two years, ending in March 2027



Lubna Alsamer Barakat (New)

Lubna Alsamer Barakat has 30+ years of work experience with a record of success in project management and was an employee with the Ontario Legislative Assembly. "Art has been my passion for most of my life, it's not just an interest or a hobby. I am genuinely dedicated to increasing the general awareness of art to the public, which can be achieved through joining the Art Windsor-Essex Board of Directors."



Keith Henry (Returning)

Keith Henry is Retired CEO of Windsor Mold Inc. Keith started his career in an entry level position in April 1977 at one of the first Tooling locations at Durham Place in Windsor. Over the years, Keith grew within the organization to General Manager of the Automotive Components Division, then President of WMG, and finally CEO. He is enjoying his retirement through volunteer leadership roles while participating in triathlons and Ironman competitions. Keith holds the distinguished title of Honorary Lt. Colonel.



Anthony Youssef (Returning)

Anthony Youssef is a Lebanese Canadian art-based researcher who focuses on politics and material culture. He recently exhibited his work on the Holiday Inn Beirut's socio-political narrative at ArtSpeak Gallery in Windsor, ON. Anthony previously held a curator-in-residence position with the Arts Council Windsor and Region, where he developed an exhibition and critical essay exploring the automotive industry, labor, and industrial employment. Anthony has a Bachelor of Architectural Science and a Master of Architecture. He is currently the Program Manager of The Buildings Show, a large North American construction industry event, and has a network within Canadian academia and the construction industry. He has worked for the Royal Architectural Institute of Canada (RAIC), administering the work of various committees and task forces to deliver public programming. Anthony has extensive experience with non-profit governance and operations and has joined the board of directors of the Toronto Arab Film.



Selina Facca (Returning)

Selina Facca is an accomplished leader, showcasing a diverse skill set that spans finance, technology, and strategy. A graduate of the Ivey Business School, she earned her CPA designation in 2011. Over her six years at Deloitte, Selina seamlessly transitioned from audit into consulting. In the tech arena, she joined Maple, a virtual healthcare startup, where she facilitated the implementation of virtual care programs across Canada in long-term care homes and hospitals. As the Head of Merchant Strategy & Operations at DoorDash Canada, Selina orchestrated a wide spectrum of responsibilities, including merchant selection, revenue management, onboarding, growth initiatives, operational efficiency, and retention. She built and led high-performing teams across the platform, strategically balancing the maximization of growth with the optimization of profitability. Beyond her professional achievements, she is a passionate career coach, actively supporting young professionals and advocating for women in technology.

For a term of three years, ending in March 2028



Wendy Furtado-Pressacco (Returning)

Wendy Furtado-Pressacco is originally from the CA Bay Area and has lived and worked in San Francisco, New York City, Malaysia, and Singapore. She holds a degree in Marketing from CA Polytechnic State University, San Luis Obispo, and a Masters in Special Education from Pace University in NY. Wendy moved to Windsor in 2020, where she and her husband own and operate SHIFT Interiors, a contract-furniture and architectural interiors dealership. She joined the Art Windsor-Essex Board of Directors in 2022. Wendy enjoys volunteering in the community, practicing yoga, and exploring all the wonderful things Windsor-Essex has to offer.

Board members with continuing terms

- Melinda Munro
- Phillip Olla
- Zoja Holman
- Anastasia Adams
- Wen Teoh
- Evelina Baczewska
- James Pineault
- Nathalie Roy



The Art Gallery of Windsor

INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

Independent Auditors' Report

To the Members of The Art Gallery of Windsor:

Report on the Financial Statements

Qualified Opinion

We have audited the financial statements of The Art Gallery of Windsor, which comprise the statement of financial position as at December 31, 2024, and the statement of operations, changes in net assets and cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of The Art Gallery of Windsor as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, the Gallery derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of donation and fundraising revenues was limited to the amounts recorded in the records of the Gallery and we were not able to determine whether any adjustments might be necessary to donation and fundraising revenues, revenue over expenditures, assets and net assets. This issue also resulted in a qualification of the financial statements for the year ended December 31, 2023.

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 report. We are independent of the Gallery 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 qualified opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Independent Auditors' Report (continued)

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Gallery'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 Gallery or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit

Our objectives are to obtain reasonable assurance about whether the 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 these 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 Gallery's internal control.

Independent Auditors' Report (continued)

- 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 Gallery'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 Gallery 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.

We 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.

Capital Assist Professional Corporation

Capital Assist Professional Corporation

Windsor, Ontario
February 26, 2025

Authorized to practice public accounting by the Institute of Chartered Professional Accountants of Ontario

The Art Gallery of Windsor
Financial Statements
For The Year Ended December 31, 2024

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The Art Gallery of Windsor

Statement of Operations

For The Year Ended December 31, 2024 (with comparative figures for 2023)

	2024	2023
Revenue		
Grants (Schedule 1)	\$ 682,923	\$ 1,014,429
Donations, membership and fundraising (Schedule 1)	704,185	484,789
Public programs (Schedule 1)	34,794	28,116
Admissions	27,258	33,304
Facility rental	25,625	23,225
Other revenue (Note 8)	42,701	9,941
	1,517,486	1,593,804
Expenses		
Administration (Note 5)	223,691	311,008
Building, facility, and occupancy	178,881	323,291
Curatorial, collection, and exhibitions	762,665	1,010,618
Membership and fundraising	221,800	206,905
Public programs and outreach	475,107	276,394
Visitor welcome, marketing, and promotions	254,818	263,312
	2,116,962	2,391,528
Deficiency of revenue over expenditures before the undernoted	(599,476)	(797,724)
Investment income (net value) (Note 9)	1,416,593	496,178
Unrealized gain (loss) on investments (Note 9)	(333,486)	316,756
	1,083,107	812,934
Excess of revenue over expenditures	\$ 483,631	\$ 15,210

The Art Gallery of Windsor

Statement of Changes in Net Assets

As at December 31, 2024 (with comparative figures for 2023)

	Unrestricted Net Assets	Endowment Net Assets	2024	2023
Net assets, beginning	\$ (40,848)	\$ 9,000,161	\$ 8,959,313	\$ 8,944,103
Capital disbursements (Note 9)	459,988	(459,988)	-	-
Contributions (Note 9)	(609,384)	609,384	-	-
Revenue over expenditures (expenditures over revenue) (Note 9)	(599,476)	1,083,107	483,631	15,210
Net assets, ending	\$ (789,720)	\$10,232,664	\$ 9,442,944	\$ 8,959,313

The Art Gallery of Windsor
Statement of Financial Position
As at December 31, 2024 (with comparative figures for 2023)

	2024	2023
ASSETS		
Current assets		
Cash	\$ 222,154	\$ 190,432
Accounts receivable	31,508	47,534
Prepaid expenses	17,642	23,508
	271,304	261,474
Long-term assets		
Restricted cash	143,484	1,930,479
Investments (Note 4)	10,326,527	7,355,409
Works of art (Note 6)	1,000	1,000
Property and equipment (Note 5)	26,710	35,367
	\$ 10,769,025	\$ 9,583,729
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 159,708	\$ 178,644
Deferred revenue (Note 8)	1,166,373	445,772
	1,326,081	624,416
Net assets		
Unrestricted	(789,720)	(40,848)
Endowment (Note 9)	10,232,664	9,000,161
	9,442,944	8,959,313
	\$ 10,769,025	\$ 9,583,729

Approved on Behalf of the Board:

_____, Director

_____, Director

The Art Gallery of Windsor

Statement of Cash Flows

For The Year Ended December 31, 2024 (with comparative figures for 2023)

	2024	2023
Cash flows from operating activities:		
Cash receipts from donors, customers, members and funding agencies	\$ 3,676,571	\$ 2,234,407
Cash paid to suppliers and employees	(2,118,243)	(2,544,396)
	1,558,328	(309,989)
Cash flows from investing activities:		
Purchase of property and equipment	(8,997)	(5,745)
(Increase) decrease in investments	(3,304,604)	863,823
Decrease (increase) in restricted cash	1,786,995	(932,641)
	(1,526,606)	(74,563)
Cash flows from financing activities:		
Repayment of CEBA Loan	-	(40,000)
	-	(40,000)
Net cash increase (decrease) in cash and cash equivalents	31,722	(424,552)
Cash and cash equivalents, beginning of year	190,432	614,984
Cash and cash equivalents, end of year	\$ 222,154	\$ 190,432

The Art Gallery of Windsor
Notes to the Financial Statements
For The Year Ended December 31, 2024

1. Nature of activities

The Art Gallery of Windsor (the "Gallery"), incorporated without share capital under the laws of Ontario, is a registered charity exempt from income taxes under Section 149(1)(f) of the Income Tax Act of Canada. The Gallery operates an art gallery and provides related services including the promotion and appreciation of the visual arts. The Gallery operates under the name Art Windsor-Essex.

2. Significant accounting policies

Basis of presentation

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash on deposit and bank balances. The company maintains cash and cash equivalents at financial institutions to support ongoing operations.

Revenue recognition

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 amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets. Income earned on resources held for endowment is recognized as income in accordance with the restrictions of the endowment contributions. Unrealized gains and losses are recognized on the statement of operations.

Donated goods and services

Donated services are not recorded in the accounts. Where the value is ascertainable, donated goods are recognized at their fair value.

Restricted cash

Restricted cash is cash held in investments for the Endowment Fund, the Joan and Clifford Hatch Trust, the Gail Ferriss Sheard Purchase Fund and the Dr. Lois Smedick Contemporary Art Endowment Fund and is used in investing activities.

Property and equipment

Amortization of property and equipment is calculated on a straight-line basis using the following annual rates:

Equipment	5 years
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The Art Gallery of Windsor
Notes to the Financial Statements
For The Year Ended December 31, 2024

2. Significant accounting policies (continued)

Works of art

Purchased and contributed works of art are recorded at nominal value. For purchased works of art, the difference between the purchase price and nominal value is recognized in the statement of operations. The value of donated works of art is not recorded, although donors receive a donation receipt for income tax purposes.

When works of art are deaccessioned and then sold, proceeds from the sale of the deaccessioned works of art must be restricted to acquire new works of art or for direct care of the art. Proceeds from the sale of deaccessioned works of art are included in deferred contributions and recognized as revenue when the expense related to the acquisition of the new works of art or expense for direct care is recorded.

Deferred revenue

Deferred revenue represents revenue received for which the related expenditures have not been made.

Use of accounting estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Specifically, the useful life of property and equipment require the use of management estimates. Actual results could differ from these estimates.

Financial instruments

Measurement of financial instruments

Financial instruments are financial assets or liabilities of the Gallery where, in general, the Gallery has the right to receive cash or another financial asset from another party or the Gallery has the obligation to pay another party cash or other financial assets.

The Gallery initially measures its financial assets and liabilities at fair value.

The Gallery subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income. Financial assets measured at amortized cost include cash, accounts receivable and restricted cash.

The Gallery's financial assets measured at fair value include marketable securities, government bonds and Ontario Arts Foundation.

Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and long-term debt.

The Art Gallery of Windsor
Notes to the Financial Statements
For The Year Ended December 31, 2024

2. Significant accounting policies (continued)

Impairment

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- The present value of the cash flows expected to be generated by the asset or group of assets;
- The amount that could be realized by selling the asset or asset group; or
- The net realizable value of any collateral held to secure repayment of the asset or group of assets.

When events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized up to the amount of the previously recognized impairment.

Transaction costs

Transaction costs and financing fees are expensed as incurred for financial instruments measured at fair value and capitalized and amortized over the expected life of the instrument using the straight line method for financial instruments that are subsequently measured at cost or amortized cost.

3. Allocation of expenses

The Gallery allocates its salary, benefits and other costs by percentage allocation to various departments. Investment income (net value) for the Joan and Clifford Hatch Trust and the Gail Ferriss Sheard Purchase Fund are allocated to the unrestricted net assets and endowment net assets, respectively, based on the proportionate book value invested.

4. Investments

Investments consist of the following:

	2024	2023
Long-term:		
Ontario Arts Foundation	666,895	631,282
Marketable securities:		
Canadian equities	3,011,448	2,173,913
US equities	759,608	1,171,435
International equities	2,199,512	44,561
Government bonds	3,689,064	3,334,218
	<u>\$ 10,326,527</u>	<u>\$ 7,355,409</u>

The Art Gallery of Windsor
Notes to the Financial Statements
For The Year Ended December 31, 2024

4. Investments (continued)

The cost of the Ontario Arts Foundation is \$413,747 (2023 - \$413,747), marketable securities is \$5,685,169 (2023 - \$2,565,863) and government bonds \$3,787,797 (2023 - \$3,549,961).

5. Property and equipment

Property and equipment consist of the following:

	Cost	Accumulated depreciation	2024 Net book value	2023 Net book value
Equipment	\$ 789,461	\$ 762,751	\$ 26,710	\$ 35,367

Included in administration expense is amortization of \$17,655 (2023 - \$15,856).

6. Works of art

The works of art are insured for \$45,200,000 as of December 31, 2024 (2023 - \$44,329,000).

The Gallery displayed 656 (2023 - 649) works of art during the year. During the year, the Gallery acquired 34 (2023 - 146) works of art and acquisition expenses totaled \$63,686 (2023 - \$39,835). During the year, 6 (2023 - \$NIL) deaccessioned works of art were sold, realizing net proceeds of \$609,384.

Included in the Gallery purchased works of art is \$8,000 (2023 - \$NIL) works of art purchased using the proceeds from the sale of deaccessioned works. As at December 31, 2024, the Gallery has \$600,423 (2023 - \$NIL) of unspent proceeds that are included in deferred contributions as set out in Note 8.

7. Line of Credit

The Gallery has an available operating line of credit of \$150,000. As at December 31, 2024, the balance used was \$NIL (2023 - \$NIL). The line of credit is at prime plus 1.5% and is secured by a general security agreement.

The Art Gallery of Windsor
Notes to the Financial Statements
For The Year Ended December 31, 2024

8. Deferred revenue

Deferred revenue represents unspent externally and internally restricted funds as of December 31, 2024. This is primarily composed of deposits on facility rentals, education programs, sponsorships, proceeds from sale of deaccessioned works of art and grant revenue related to future periods.

	Deaccessioned art	Other	2024	2023
Balance, beginning of year	\$ -	\$ 445,772	\$ 445,772	\$ 334,581
Add: Net proceeds from deaccessioned art	609,384	-	609,384	-
Less: Purchase of art and care costs incurred	(8,961)	-	(8,961)	-
Less: Amounts recognized as revenue		(568,035)	(568,035)	(379,235)
Add: Amounts received related to future periods		688,213	688,213	490,426
	\$ 600,423	\$ 565,950	\$ 1,166,373	\$ 445,772

During the year, the Gallery recognized in other revenue \$8,961 (2023 - \$NIL) from the deferred revenue relating to the deaccessioned art.

9. Endowment net assets

The Endowment Net Assets report contributions designated for specific purposes, as follows:

The Ontario Arts Foundation Endowment reports matching contributions from the Ontario Arts Foundation ("OAF") and the net investment income earned thereon to be used by the Gallery for operating purposes. Only income distributed by the OAF to the Ontario Arts Foundation Endowment is available for expenditure for operating purposes. The OAF, which holds the Ontario Arts Foundation Endowment in perpetuity, is responsible for the investment of the funds held and the annual disbursement to the Gallery.

Internally restricted

The Endowment Fund consists of original permanent capital of \$6,815,000. The annual net investment income earned from the investments is available for use by the unrestricted net assets. To the extent there is insufficient net income earned from the investments to meet the disbursement quota, the Gallery is authorized to disburse capital within a range of 3.5% to 4.5% if all of the conditions of Disbursement of Capital within the Investment Policy are met. The investments held in the endowment net assets are to be maintained and invested in accordance with the investment policies of the Gallery. During the year, capital disbursements amounted to \$459,988 (2023 - \$371,939) and capital contributions amounted to \$609,384 (2023 - \$NIL) for a net transfer of \$149,396 (2023 - \$371,939).

The Board of Directors established a Contemporary Art Endowment fund in honour of a bequest received from Dr. Lois K. Smedick. The income derived from this contribution is to be used exclusively for the acquisition of contemporary works of art for the Gallery's permanent collection. During the year, the Board of Directors approved unrestricting the fund, accordingly, the balance was reallocated to the endowment fund.

The Art Gallery of Windsor
Notes to the Financial Statements
For The Year Ended December 31, 2024

9. Endowment net assets (continued)

Externally restricted

The bequest from Raymond Best was received and is held in perpetuity to purchase historical works of art at the discretion of the Board of Directors.

A bequest from Joan and Clifford Hatch was received and is held in perpetuity with the derived income to be used exclusively for the acquisition and restoration of works of art for the Gallery.

A bequest from Gail Ferriss Sheard was received and is held in perpetuity with derived income to be used to purchase Canadian historical works of art for the Gallery's permanent collection. Any earned income not expended in any year for the said purpose is to be added to the capital of the Gallery.

	Opening	Investment income (net value)	Unrealized gain	Net transfer	Ending
Net asset balances are comprised of:					
Ontario Arts Foundation Endowment	\$ 631,282	\$ 65,579	\$ -	\$ (29,966)	\$ 666,895
Endowment Fund	7,286,754	1,259,585	(358,918)	(235,328)	7,952,093
Raymond Best Bequest	82,694	5,414	2,967	-	91,075
Joan and Clifford Hatch Trust	150,511	9,803	5,371	(5,000)	160,685
Gail Ferriss Sheard Purchase Fund	686,202	43,886	24,048	(10,000)	744,136
Dr. Lois K. Smedick Contemporary Art Endowment Fund	162,718	11,666	(3,651)	(170,733)	-
Fred and Beverly Shaeffer Fund	-	20,660	(3,303)	600,423	617,780
	<u>\$ 9,000,161</u>	<u>\$ 1,416,593</u>	<u>\$ (333,486)</u>	<u>\$ 149,396</u>	<u>\$ 10,232,664</u>

The Art Gallery of Windsor
Notes to the Financial Statements
For The Year Ended December 31, 2024

10. Financial instruments

The main risks the Gallery's financial instruments are exposed to are credit, interest rate, liquidity and market risks.

Credit risk

The financial instruments that potentially subject the Gallery to a significant concentration of credit risk consist primarily of cash, accounts receivable and guaranteed investment certificates. The Gallery mitigates its exposure to credit loss by placing its cash and guaranteed investment certificates with major financial institutions. The Gallery is exposed to credit risk in the event of non-payment by their customers for their accounts receivable. The Gallery believes there is minimal risk associated with these amounts due to the diversity of its customers and there are no significant concentrations of accounts receivable with any group of customers that are related to each other.

Interest rate risk

The Gallery is exposed to interest rate risk to the extent that the guaranteed investment certificates and government bonds are at a fixed interest rate. The Gallery does not use derivative financial instruments to alter the effects of the risk.

Liquidity risk

Liquidity risk relates to the risk the Gallery will encounter difficulty in meeting its obligations associated with financial liabilities. The financial liabilities on its statement of financial position consist of accounts payable and accrued liabilities. Management closely monitors cash flow requirements to ensure that it has sufficient cash on demand to meet operational and financial obligations.

Market risk (price risk)

Market risk is the risk that changes in market prices and interest rates will affect the Gallery's net earnings or the value of financial instruments. These risks are generally outside the control of the Gallery. The objective of the Gallery is to mitigate market risk exposures within acceptable limits, while maximizing returns. The Gallery's investments in publicly traded securities expose the Gallery to market risk as such investments are subject to price changes in the open market. The Gallery does not use derivative financial instruments to alter the effects of the risk.

The Art Gallery of Windsor

Schedule 1

Schedule of Revenue

As at December 31, 2024 (with comparative figures for 2023)

	2024	2023
Grants		
Canada Council for the Arts	\$ 284,000	\$ 284,000
Department of Canadian Heritage	25,184	-
Department of Canadian Heritage - Special	65,850	128,700
Ontario Arts Council	206,495	201,016
Ontario Arts Foundation	10,307	-
Ontario Trillium Foundation	71,043	267,600
Government of Canada - Employment and Social Development	14,669	37,800
Social Sciences and HRC Canada	5,226	52,120
Federal Economic Development	-	29,068
Other	149	14,125
	682,923	1,014,429
Donations, membership and fundraising		
Donations and fundraising	695,411	475,753
Memberships	8,774	9,036
	704,185	484,789
Public programs		
Education workshop	25,114	16,941
Tour fees	9,680	11,175
	34,794	28,116
Admissions	27,258	33,304
Facility rental	25,625	23,225
Other revenue (Note 8)	42,701	9,941
Total revenue	\$ 1,517,486	\$ 1,593,804