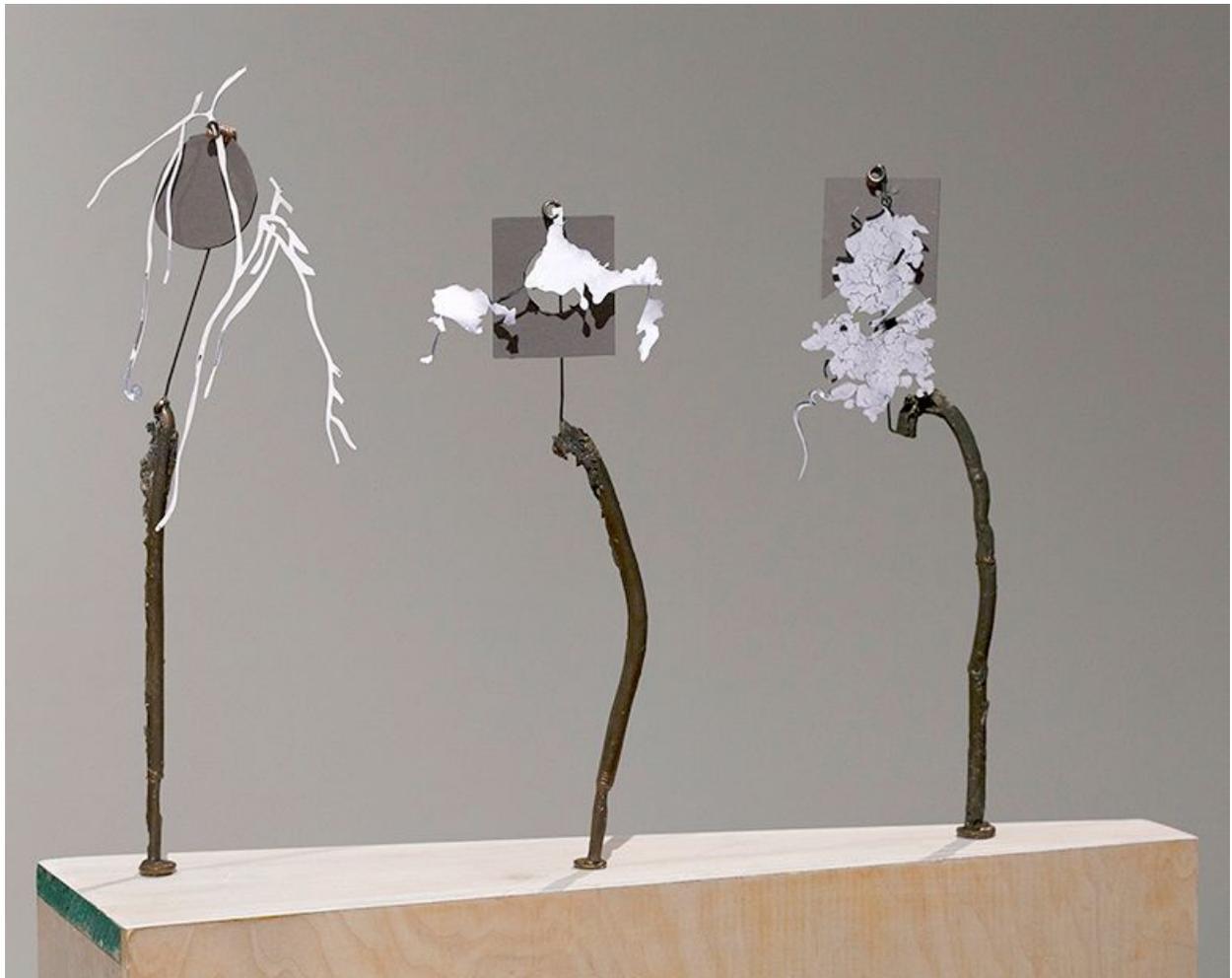


# Annual Report

## Neutral Ground Artist-Run Centre

For the period covering September 1, 2016 - August 31, 2017

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Colin Miner, *Untitled (smudge)*, 2017. Installation view of *His dreadful glance* at Neutral Ground Artist-Run Centre, Regina.

Photo courtesy of the artist.

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## Introduction

Since 1982, Neutral Ground has supported experimental practices by connecting audiences to the work of emerging and mid-career artists primarily from Regina/Treaty 4, Saskatchewan, and Canada. Operating as an artist-run centre in downtown Regina with the aim of serving the needs of its constituent arts community, Neutral Ground is a gallery that presents contemporary visual and media art.

### Neutral Ground's mission is:

To provide a professional venue for exhibitions and presentations;  
To facilitate meaningful experiences with art;  
To engage our audiences in critical dialogues.

Neutral Ground serves a wide community, including:

- Our members
- Artists
- Arts communities in Regina and beyond
- Broader publics

Neutral Ground engages audiences with contemporary art through:

- Programming that includes exhibitions, performances, and special events
- Outreach that includes artist talks, conferences, workshops, exhibition catalogues, and critical writing

### Local Commitment:

Neutral Ground is Regina's only artist-run centre focused on exhibitions. We fill an important role in developing emerging artists and arts administrators by providing professional opportunities. Neutral Ground engages a diverse public through its activities.

Our programming continues to provide a platform for a multitude of voices. Neutral Ground also has a long history of partnering with arts organizations like Sâkêwêwak and Queer City Cinema, specifically mandated to serve under-represented groups. We intend to build upon these relationships.

Neutral Ground presents work by emerging artists not typically exhibited elsewhere in Regina. We have a longstanding history of fostering performance, new media, and other challenging forms, rarely seen in commercial and public galleries in the city.

### Leadership:

Neutral Ground underwent a major transformation in March 2017, resulting in a renewed commitment to the values of artist-run culture. Following the departure of its long-serving

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Director, the organization recently hired two new, full-time staff members in a non-hierarchical relationship, who both report directly to the Board of Directors.

Simon Fuh began on November 1, 2017 in the role of Administrative Coordinator. Amber Phelps Bondaroff began on November 10, 2017, in the role of Programming Coordinator.

The Board of Directors is comprised of practicing artists, academics, arts administrators, and curators. The current Board brings years of professional experience in the areas of interdisciplinary visual and media art, performance, social practice, new music and sound art, critical writing, and teaching to the governance of Neutral Ground.

### **Neutral Ground Board 2016-2017:**

- Risa Horowitz, Chair (elected March 7, 2017)
- Caitlin Mullan, Vice-Chair (elected March 7, 2017; resigned November 29, 2017)
- Terri Fidelak, Secretary (elected March 7, 2017)
- Sandee Moore, Treasurer (elected March 7, 2017)
- Blair Fornwald, Events Committee Chair (elected March 7, 2017)
- Ali King, Programming Committee Chair (elected July 14, 2016)
- Helen Pridmore, Director (elected March 7, 2017; resigned November 29, 2017)
- Donna Kriekle, Director (resigned July 2017)
- Kevin McKenzie (resigned April 2017)
- Jennifer Brass (resigned March 2017)

### **Artistic Vision:**

Neutral Ground sees its role as an artist-run centre to support work that might not be exhibited in traditional art venues, such as experimental and emerging practices, and work by emerging artists. We support emerging practices and creative risk-taking.

Neutral Ground responds to the interests and diversity of our community by programming via nationally-circulated calls for proposals. Proposals are recommended by ad-hoc juries selected by the Programming Committee/Programming Coordinator. Juries are comprised of experienced, emerging, and culturally diverse members with expertise in a wide range of contemporary practices.

Neutral Ground is committed to paying CARFAC presentation fees and strives to pay other CARFAC professional and other fees. We are committed to the promotion and dissemination of contemporary Canadian art, as well as providing professional development opportunities for emerging art writers, administrators.

This year showed a renewed commitment to being an open and responsive centre for our communities.

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## Key Accomplishments in the 2016/2017 Fiscal Year:

### Programming Highlights:

#### [Radiabolus](#)

September 17 - November 10, 2016

Toby Heys and Robert Saucier (who have presented with Neutral Ground many times over the years) opened a new iteration of *Radiabolus*, a robotic sound art installation exploring sound and military technology. A 22 minute film, *AUDINT: Delusions of the Living Dead*, was presented alongside *Radiabolus*.

#### [Soft Spoken Update](#)

December 3, 2016 - January 21, 2017

John Boyle-Singfield

Works in the exhibition included an online audio project, a series of ASMR MP3s narrating essays related to philosophy, art and literature. This project uses this recording technique to narrate essays including a transformed John Cage 4'33" performance into a banal relaxation-therapy sound.

#### [Arts Birthday](#)

January 21, 2017

The biggest fundraiser of the year, this annual party included live performances by Pulsewidth, Guidewire, Sbot N Wo, and Homomonstrous, with after-party beats by DJ Talukdar.

#### [His dreadful glance](#)

April 8 - May 6, 2017

Colin Miner

An installation of new work developed in conversation with the photographic processes of dodging and burning.

Colin Miner's subtle exhibition on the apparatus and history of photography, *His dreadful glance* was well-attended and drew critical attention, including an essay for LUMA Quarterly by Bruce Russell, *Punning Photography's Legacy: His Dreadful Glance* (Issue 8, Volume 2, Spring 2017).



Colin Miner, installation view of *His dreadful glance* at Neutral Ground Artist-Run Centre, Regina.  
Photo copyright Neutral Ground Artist-Run Centre

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Staffing transitions and temporary financial constraints made it necessary to limit programming through the summer. We animated the gallery by hosting new music performances by local and visiting artists, offering free use of space to members and renting the space to other organizations. These activities successfully generated revenue, and engaged the community. In the Fall, regular programming resumed.

June 17, 2017

[Prairie Shag Records Fundraising Party and Cassette Launch](#)

Performances by The Florals, Natural Sympathies, respectfulchild, Ursa



Ursa performs at Neutral Ground Artist-Run Centre, Regina.

Photo copyright Neutral Ground Artist-Run Centre

June 27, 2017

[Mulligrub and guests!](#)

Performances by Mulligrub + Homo Monstrous

July 14, 2017

[Sound of the Mountain + Nigel Taylor + Sbot N Wo](#)

Performances.

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## [Dorkbot](#)

Last Saturday of every month (except summers), 1-5pm

Neutral Ground partners with Dorkbot Regina, lead by long-time Member Ryan Hill. At monthly drop-in meetings that are open to the public, new media practitioners benefit from user group meetings, presentations, and jams.



Visitors enjoying Colin Miner's artist talk in April 2017 at Neutral Ground Artist-Run Centre, Regina.

Photo copyright Neutral Ground Artist-Run Centre

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## Community Consultation and Strategic Planning:

On April 14, 2017, the Board of Directors held a day-long strategic planning visioning session which included a two-part SWOT (Strengths; Weaknesses; Opportunities; Threats) analysis, a review and revision of the mandate, mission, visions, and value of Neutral Ground, a review of the Governance Model for the organization, and the outline of a two-year plan for programming.

The results of the strategic planning were presented at the Community Consultation meeting on May 4th, where 26 attending Members and community members participated in SWOT analysis and provided additional guidance to the organization.

Key results from these two important activities include:

- A re-orientation of Neutral Ground as outlined in the Introduction of the Annual Report
- A full Bylaws revision, presented at the Nov. 29, 2017 AGM for membership consideration and ratification
- A revisioning of Membership Classes and motion to amend the Articles to reflect these new Classes
- A re-structuring of the Board to better articulate Executive roles (Chair, Vice-Chair, Treasurer, Secretary), standing committees, and delegation (as drafted in the proposed new Bylaws).
- A review and revision of staffing needs and roles, leading to the creation of two new staff positions and Human Resources Policy
- A review and creation of new Programming, Members' Use of Space, and Space Rental Policies
- A review of existing financial practices and the creation of Financial Policies and Procedures, in consultation with Neutral Ground's bookkeeper and accountant.

## Positive Feedback on New Direction for Neutral Ground:

"very brave of your group and I commend that you made it happen." (Anne Bertrand, ARCA)

"just a quick note to thank you, for your work.  
Please let me know if I can come in and help [...]  
I was soil artist in residence and media suite/ technician/coordinator a number of years ago-  
let me know how I may help out." (Lynda C.M.)

"Thanks for the update, and good news to hear that the board is active and involved. Very important....  
Best  
Geneviève" Genevieve Landrville, Canada Council for the Arts.

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"I have received and reviewed your Jan – March 2017 and April – June 2017 Quarterly reports. I approve these reports and waive any further requirements for the remainder of this fiscal year given all the improvements Neutral Ground has made over the past months regarding their financial management.

Cheers

Noreen Neu" - Programme Officer, Saskatchewan Arts Board

"Dear Neutral Ground Board of Directors,

I am writing to express my strong support for the recent changes this board has brought to Neutral Ground. As a member in good standing, I am honoured to offer my services as a volunteer in whatever capacity will be most useful; remotely, for the time being, and in person when I return to Regina early in 2018.

Warmest regards,  
Barbara Meneley"

## **Memberships and Donations**

A key priority for Neutral Ground this year has been re-building our membership base and conducting a successful though modest fundraising drive to generate \$500 in charitable donations in August, 2017.

Prior to the March 7, 2017 AGM for the 2015-2016 fiscal year, Neutral Ground boasted fewer than 10 members, plus Board Directors and Staff. At the time of the March 7, 2017 AGM membership grew to 41 members, not counting Board Directors and Staff. At the time of the distribution of the Annual Report, Neutral Ground has 52 members, listed below.

current members (52) as of November 15, 2017:

Jonathan Ackerley, WL Altman, Wayne Baerwaldt, Margaret Bessai, Rob Bos, Joanne Bristol, Michelle Brownridge, Johanna Bundon, Ian Campbell, Amber Christensen, Ernie Dulanowsky, Florence Duesterbeck, Sarah Ferguson, Blair Fornwald, Gabriela Garcia Luna, David Garneau, Erin Gee, Jesse Goddard, John Hampton, Melanie Hankewich, Belinda Harrow, Risa Horowitz, Sandra Staples Jetko, March Kennedy, Anthony Kiendl, Jay Kimball, Alexandra King, Jaye Kovach, David LaRiviere, Trent Leipart, Frans Lots, Charity Marsh, Jeff Meldrum, Sandee Moore, Caitlin Mullan, Amber Phelps, Helen Pridmore, Jessica Richter, Mike Rollo, Gerald Saul, Curtis Scheschuk, Zoe Schneider, Wanda Schmockel, Javad Soroush, Rae Staseson, Leesa Streifler, Evan Tyler, Garry Wasyliv, Sean Whalley, Mark Wihak, Jaime Williams, Nic Wilson, Sylvia Ziemann.

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## **Challenges faced in the 2016/2017 Fiscal Year:**

Neutral Ground started the 2016/17 year in poor financial health. Canada Council Media Arts funding, which supported the SOIL project, had been reduced, then, finally, cut in 2015/2016. The organization began the year with a deficit of over \$20,000; received other funding reductions; had a legacy of poor cash-flow management; and inactive gallery programming and opening hours.

When the current Board assumed its duties in March 2017, its priority to implement best financial practices led to tough decisions around staffing and programming to position Neutral Ground to be able to operate within its means.

On March 31, 2017 the Board of Directors became a working board and worked closely with a newly hired a bookkeeper, Debbie Head, and with Cogent Accounting, to implement best financial practices. By August 31, 2017, Neutral Ground was (and remains) in a positive cash-flow position and has retired its accumulated deficit. This said, we have identified several potential financial obligations related to rent, property taxes, or relocation, for which funds have been reserved until resolved.

Neutral Ground has also faced challenges in publicizing and ensuring good attendance at its events. The transformations of 2016-2017 address the need for renewed communications with the community, artists, and other organizations. The new Board has already succeeded in regaining a profile within the city and beyond.

### **Lessons learned:**

In reviewing the challenges posed during the past fiscal year, Neutral Ground has a renewed and feasible vision, which includes:

- dedication to artist-run centre values
- building and sustaining meaningful partnerships
- engaging our community
- cultivating partnerships that serve our local community and offer opportunities for meaningful engagement with diverse communities
- achievable and inspiring programming
- building on previous successes and our reputation for showing innovative work
- Ensuring best-practices for financial stability and sustainability.

We have laid the groundwork for meaningful, realistic, achievable, and visionary programs supported by strong operational foundations that are guided by our mandate, and the support of full-time staff. Neutral Ground is excited make these positive changes!

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## **Vision for the 2017/18 Fiscal Year:**

### **Staffing and Compensation:**

The Board of Directors re-visioned staffing needs and HR policy, creating two new full-time non-hierarchical positions. Both the Programming Coordinator and Administrative Coordinator report directly to the Board. Due to several years without increases, and often decreases, to Neutral Ground's core funding, a significant deficit, and other financial concerns, the Board has budgeted modest wages for its two newly-hired staff members.

The Board aims for staff to receive incremental wage increases based on performance evaluations and given available funds. Neutral Ground has recently been readmitted to the SaskLotteries payroll administration service. The organization aims to be able to provide health benefits to employees, also as funding permits. Recognizing and fairly compensating the work of our staff continues to be a goal that Neutral Ground will prioritize.

### **Programming:**

The Member jury for 2017-2019 programming recommendations consisted of Jeff Morton, Edith Skeard, and Janine Windolph. The organization envisioned a modest year of programming focused on primarily local and regional artists including: "Canada's Rectangle", a group exhibition (featuring Cruz Anderson, Cam Forbes, Jaye Kovach, Jessica Morgun, Amber Phelps Bondaroff, Phomohobes, Zoë Schneider, and Nic Wilson); Solo exhibitions by Jason Baerg and Lucien Durey; a two-person exhibition with Suzie Smith and Marie Lannoo, and a performance project by John Boehme. If awarded the full funding requested from the Canada Council, new music and experimental sound events will be added to the year's programming.

### **Partnerships**

With new staff in place, Neutral Ground will continue to develop and rebuild partnerships within the community for the delivery of shared programs, events, fundraisers, and space rentals.

### **Workshops**

Workshops in the planning stages include:

- Developing the Artist Statement (with Sky Goodden)
- Critical Art Writing (with Sky Goodden)
- How to Document your Art

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### **Community Building:**

Neutral Ground is reinvesting in its commitment to the communities it serves, including our members, artists and arts professionals, and broader publics in Regina and beyond.

Our membership is benefitting from open, transparent, and frequent communications from Neutral Ground Board and Staff. The recently implemented free Members' Use of Space policy and events like the upcoming *Winter BOX So\_chiLL: Member's Mixer* incentivize membership and work to further build Neutral Ground's membership community.

As Regina's only artist-run centre focused on exhibitions, Neutral Ground plays an important role for emerging artists and arts professionals. We want to be the place where local artists might have their first professional exhibition or performance, the place where mid-career or established artists can take risks, or shift their focus. We want to provide emerging arts administrators with valuable employment and professional development opportunities.

We aim to engage Regina's diverse public, which includes large Indigenous and Métis populations, as well as growing queer and newcomer communities, with responsive, relevant programming that reflects this diversity. By acknowledging traditional lands, targeting communications and programming calls to include diverse communities, and making our spaces and events more accessible to persons with disabilities, we will better serve our publics. We intend to build upon meaningful partnerships with organizations like Sâkêwêwak and Queer City Cinema, specifically mandated to serve under-represented groups, and to foster new relationships with organizations, including schools, that will grow our community and expand our reach.

We aim to be responsive to our communities. Upcoming programming, structured in response to community input, is lively and diverse, focused on emerging and experimental practices in Saskatchewan and beyond. It features visually-engaging exhibitions in a wide range of media alongside a program of innovative new media and new music works for which the centre has become known. At our community consultation, people expressed a desire for more, and more inclusive workshops, and we have responded by planning just that in the upcoming years – beginning with a series of professional development workshops for artists.

With engaged, energetic, and welcoming staff hired and resumed regular gallery hours, we expect continuing increases in attendance at exhibitions, performances, outreach events, fundraisers, and parties. It is our goal that Neutral Ground truly becomes an open space, a community hub, and a reason to be in Regina.

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## Volunteer Committees:

Committees are excellent forums for our members to share their points of view, determine the direction of the organization and lend their skills to our success. Neutral Ground's member committees during the 2016-2017 fiscal year include:

- Events Committee  
Blair Fornwald (Chair) and Helen Pridmore  
The Events Committee assists with scheduling, coordination, and hospitality for events including exhibition receptions, performances, artist talks, and fundraisers.
- Programming Committee  
Ali King (Chair) and Terri Fidelak  
Arranged a national Call for Proposals and coordinated the Programming Jury and two deliberation sessions in May 2017 to select upcoming 2 years' programming. Coordinated the exhibition *Canada's Rectangle*.

If you would like to share your energy, enthusiasm or skills in assisting with events, fundraising, programming juries, or other, please contact our staff!

Amber Phelps Bondaroff, Programming Coordinator: [program@neutralground.sk.ca](mailto:program@neutralground.sk.ca)

Simon Fuh, Administrative Coordinator: [board@neutralground.sk.ca](mailto:board@neutralground.sk.ca)

Thank you to all who supported, volunteered on Neutral Ground's committees or informally in the past fiscal year:

- Johnny Ackerley
- Edith Skeard
- Janine Windolph
- Jeff Morton
- Jay Kimball
- Jesse Goddard
- Sarah Ferguson
- Jeff Altwasser
- Gail Chin
- Ryan Hill
- Sandra Staples-Jetko
- The Junction Creative Studio
- The University of Regina
- Richardson Lighting
- Steve Sieferling
- Cary Wessel
- Charles Tooke
- Debbie Head
- Jeff Morton
- WL Altman
- Ernie Dulanowsky
- Jaye Kovach
- CARFAC Saskatchewan
- Dunlop Art Gallery
- Papp Signs
- Amber Goodwyn
- Dan Torrie
- Noreen Neu
- Felipe Diaz
- Genevieve Landreville

The contribution of all members to our community cannot be underestimated. You are the reason that Neutral Ground exists! We appreciate the participation of all members from attending exhibitions and workshops, to sharing their perspectives at our meetings and informally.

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## **Board Nominations:**

Neutral Ground's Board works on a governance model, advising on matters of policy and overseeing the financial health and relevance of the organization to the community and in serving its mandate. Neutral Ground Directors serve without remuneration for their services, and must act honestly and in good faith in the best interests of the organization.

A minimum of two thirds (2/3) of the Directors are required to be self-declared practicing visual or media artists or arts professionals and all Directors must have a commitment to the Corporation's mission and vision.

Nominations to the Board will be accepted in advance and may also be moved from the floor. Each nominee to the Board must receive a majority of votes cast by Members at a duly constituted Annual General Meeting. Elections of Directors shall always take place by ballot.

Neutral Ground's Board of Directors consists of a minimum of six (6) and maximum of twelve (12) Directors. Directors serve for a two-year term.

The following Directors will be carrying out the second year of their two-year term in 2017/18:

- Terri Fidelak
- Blair Fornwald
- Risa Horowitz
- Sandee Moore

There are currently a maximum of 8 positions on the Board to be filled. The following individuals are standing for election to the Board:

- Ali King (nominated by Terri Fidelak for re-election to 2nd 2-year term)
- Javad Soroush (nominated by Leesa Streifler for 2-year term)
- Jeff Morton (nominated by Risa Horowitz for 2-year term)
- Nic Wilson (nominated by Ali King for 2-year term)
- Garry Wasyliw (nominated by Helen Pridmore for 2-year term)

Please note that no Director of the organization may serve for more than three (3) consecutive terms.

Nominations from the floor will be accepted.

Scrutineers will be selected from the floor by all present at the AGM to collect and count ballots.

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## **Financial Statements:**

Charles Tooke of Cogent Chartered Professional Accountants will present Neutral Ground's financial statements for the 2016/17 fiscal year.

# Cogent

CHARTERED PROFESSIONAL  
ACCOUNTANTS LLP

**NEUTRAL GROUND INC**  
**Financial Statements**  
**Year Ended August 31, 2017**  
*(Unaudited)*

200 - 533 Victoria Avenue, Regina, Saskatchewan S4N 0P8  
Tel: 306-352-1397 • Fax: 306-347-8570  
Toll Free: 1-877-211-8123

**NEUTRAL GROUND INC**  
**Index to Financial Statements**  
**Year Ended August 31, 2017**  
*(Unaudited)*

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## REVIEW ENGAGEMENT REPORT

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To the Members of Neutral Ground Inc

We have reviewed the statement of financial position of Neutral Ground Inc as at August 31, 2017 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Regina, SK  
November 20, 2017

Cogent Chartered Professional Accountants LLP

**NEUTRAL GROUND INC**  
**Statement of Financial Position**  
**August 31, 2017**  
*(Unaudited)*

	<b>2017</b>	<b>2016</b> <i>Revised</i>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 75,445	\$ 86,257
Interest receivable	1	-
Prepaid expenses	6,596	2,700
Goods and services tax recoverable	1,757	3,697
	83,799	92,654
PROPERTY, PLANT AND EQUIPMENT <i>(Note 5)</i>	5,013	6,464
INVESTMENTS <i>(Note 4)</i>	2,500	-
	\$ 91,312	\$ 99,118
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable <i>(Note 7)</i>	\$ 4,139	\$ 10,983
Deferred income	49,179	101,400
	53,318	112,383
<b>NET ASSETS</b>		
General fund	-	(23,265)
Restricted fund <i>(Note 8)</i>	37,994	10,000
	37,994	(13,265)
	\$ 91,312	\$ 99,118

ON BEHALF OF THE BOARD

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See notes to financial statements

**NEUTRAL GROUND INC**  
**Statement of Revenues and Expenditures**  
**Year Ended August 31, 2017**  
*(Unaudited)*

	2017	2016 <i>Revised</i>
<b>GRANT REVENUES</b>		
Saskatchewan Arts Board - Operating Grant	\$ 101,400	\$ 101,400
Canada Council - Operating Grant	75,000	75,000
City of Regina - Operating Grant	15,000	15,000
	<u>191,400</u>	<u>191,400</u>
<b>OTHER REVENUE</b>		
Memberships	1,465	141
Other income	1,417	4,638
Concession sales	2,548	-
Co-production	1,894	-
Donations <i>(Note 6)</i>	396	3,841
	<u>7,720</u>	<u>8,620</u>
	199,120	200,020
<b>EXPENSES</b> <i>(Schedule 1)</i>	<u>147,861</u>	<u>218,483</u>
<b>EXCESS (DEFICIENCY) OF GRANT REVENUES OVER EXPENSES</b>	<u>\$ 51,259</u>	<u>\$ (18,463)</u>

See notes to financial statements

**NEUTRAL GROUND INC**  
**Statement of Changes in Net Assets**  
**Year Ended August 31, 2017**  
*(Unaudited)*

	General Fund	Restricted Fund	2017	2016 <i>Revised</i>
<b>NET ASSETS - BEGINNING OF YEAR</b>				
As previously reported	\$ (23,265)	\$ 10,000	\$ (13,265)	\$ 5,198
Reallocate to restricted fund <i>(Note 8)</i>	(27,994)	27,994	-	-
As restated	(51,259)	37,994	(13,265)	5,198
<b>EXCESS OF GRANT REVENUES OVER EXPENSES</b>	51,259	-	51,259	(18,463)
<b>NET ASSETS - END OF YEAR</b>	\$ -	\$ 37,994	\$ 37,994	\$ (13,265)

See notes to financial statements

**NEUTRAL GROUND INC**  
**Statement of Cash Flow**  
**Year Ended August 31, 2017**  
*(Unaudited)*

	2017	2016 <i>Revised</i>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of grant revenues over expenses	\$ 51,259	\$ (18,463)
Item not affecting cash:		
Amortization of property, plant and equipment	1,451	1,899
	<u>52,710</u>	<u>(16,564)</u>
Changes in non-cash working capital:		
Accounts receivable	-	1,800
Interest receivable	(1)	-
Prepaid expenses	(3,896)	(320)
Accounts payable	(6,844)	1,283
Deferred income	(52,221)	-
Goods and services tax payable	1,940	(1,245)
	<u>(61,022)</u>	<u>1,518</u>
Cash flow used by operating activities	<u>(8,312)</u>	<u>(15,046)</u>
<b>INVESTING ACTIVITY</b>		
Investments	<u>(2,500)</u>	-
<b>DECREASE IN CASH FLOW</b>	<u>(10,812)</u>	<u>(15,046)</u>
Cash - beginning of year	86,257	101,303
<b>CASH - END OF YEAR</b>	<u>\$ 75,445</u>	<u>\$ 86,257</u>

See notes to financial statements

**NEUTRAL GROUND INC**  
**Notes to Financial Statements**  
**Year Ended August 31, 2017**  
*(Unaudited)*

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**1. PURPOSE OF THE ORGANIZATION**

Neutral Ground Inc. (the "organization") is a not-for-profit organization incorporated under the Societies Act of Saskatchewan. As a registered charity the organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

Neutral Ground provides a professional venue for exhibitions and presentations of contemporary visual and media art. The organization engages their audiences through exhibitions, performances, and special events that are free and open to the public. The organization presents free lectures and talks that are scheduled to engage and educate the public about new practices in visual and media art. There are programs, workshops and hands-on creative sessions that are free, or subsidized to remove significant financial barriers to access for participants. The organization works with numerous volunteers and committees to deliver its programs.

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**2. BASIS OF PRESENTATION**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization. Property, plant and equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Office & Gallery equipment	20%	declining balance method
Computer equipment	30%	declining balance method
Computer software	100%	declining balance method
Leasehold improvements	3 years	straight-line method

The organization regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

*(continues)*

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**NEUTRAL GROUND INC**  
**Notes to Financial Statements**  
**Year Ended August 31, 2017**  
*(Unaudited)*

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

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.

Unrestricted investment income is recognized as revenue when earned.

All other incidental revenue is recognized as revenue when the revenue is received or when the receipt is reasonably assured.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Government grants

Government grants are recorded when there is a reasonable assurance that the organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

4. INVESTMENTS

	2017	2016
ScotiaBank GIC	\$ 2,500	\$ -

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Office & Gallery equipment	\$ 47,018	\$ 43,115	\$ 3,903	\$ 4,879
Computer equipment	86,080	84,970	1,110	1,585
Computer software	7,328	7,328	-	-
Leasehold improvements	36,878	36,878	-	-
	\$ 177,304	\$ 172,291	\$ 5,013	\$ 6,464

**NEUTRAL GROUND INC**  
**Notes to Financial Statements**  
**Year Ended August 31, 2017**  
*(Unaudited)*

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**6. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation. Due to a new set of accounts the prior year figures have been allocated to best fit into the new accounts. The current year figures are presented in much more detail than the prior year figures but the allocation was done on a summarized basis.

Rent expense in the prior figures has been revised due to a misrepresented donation in kind. As a result the donation income was reduced by the same amount. There was no net change to the net deficit for the year.

There was an overpayment of wages that was discovered during the past year that effects the 2016 fiscal year and the 2017 fiscal year. This amount will not be recoverable and has been included in the wage expenses. The amount has been estimated as \$16,219.10 in total which is estimated as \$8,650.19 for the 2016 fiscal year and \$7,568.91 for the 2017 fiscal year. New policies are in place to avoid similar issues in the future.

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**7. SUBSEQUENT EVENTS**

Subsequent to year end a payroll review was done by the Canada Revenue Agency covering the 2016 year and 2017 to date. The result of that review was an outstanding payable in regards to source deductions of \$17,361, including interest and penalties. An appeal has been filed as the organization feels the review was not done properly. The appeal is currently under review and the organization has a good chance at a successful result and having a majority overturned or completely removed. Due to this circumstance the payable is not reflected on the balance sheet. The amount covers a 2 year period and would approximately be allocated as \$5,208 to the 2016 fiscal year end and \$12,153 to the 2017 fiscal year end. If the appeal is not successful the earnings for each of the preceding years would be reduced by those amounts.

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**8. RESTRICTED FUND**

The restricted fund has been set up to be used in future for possible facility expenses relating to rent increases, property taxes or a potential relocation. The amount of funds required are unknown at this point but the restricted fund has been set aside to account for these. In the current year the entire surplus to date has been reallocated to the restricted fund.

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**NEUTRAL GROUND INC**  
**Expenses**  
**Year Ended August 31, 2017**  
*(Unaudited)*

*(Schedule 1)*

	2017	2016 <i>Revised</i>
<b>ADMINISTRATION EXPENSES</b>		
Administration salaries <i>(Note 6)</i>	\$ 41,808	\$ 83,159
Administration salaries - EI	2,196	2,881
Administrative salaries - CPP	2,753	1,056
Professional fees	5,505	4,499
Other contracts	3,575	-
WCB expense	118	203
Computer equipment and software	148	-
Office	1,938	2,495
Postage and courier	758	-
Telephone	2,471	-
Internet	2,855	-
Interest and bank charges	1,106	1,714
Memberships and subscriptions	80	675
GST expense	1,527	1,780
Miscellaneous expense(recovery)	(121)	2,503
Professional development	325	7,587
Board meetings	221	-
Web hosting	633	-
Lack of documentation	2,199	-
<b>Total Administrative Expenses</b>	<b>70,095</b>	<b>108,552</b>
<b>MARKETING &amp; COMMUNICATIONS EXPENSES</b>		
Advertising and promotion	214	6,751
Printing	100	-
Marketing & communication contracts	499	-
<b>Total Marketing &amp; Communications Expenses</b>	<b>813</b>	<b>6,751</b>
<b>FACILITY &amp; OPERATING EXPENSES</b>		
Rental	25,925	33,493
Utilities	2,861	11,282
Cleaning	1,759	-
Insurance	4,184	4,539
Repairs and maintenance	511	4,029
Amortization	1,451	1,899
<b>Total Facility &amp; Operating Expenses</b>	<b>36,691</b>	<b>55,242</b>
<b>FUNDRAISING EXPENSES</b>		
Fundraising events	97	1,106

*(continues)*

See notes to financial statements

**Cogent**

CHARTERED PROFESSIONAL  
ACCOUNTANTS LLP

**NEUTRAL GROUND INC**  
**Expenses (continued)**  
**Year Ended August 31, 2017**  
*(Unaudited)*

**(Schedule 1)**

	<b>2017</b>	<b>2016</b> <i>Revised</i>
<b>Total Fundraising Expenses</b>	<u>97</u>	<u>1,106</u>
 <b>ARTISTIC EXPENSES</b>		
Artistic exhibition fees	9,182	38,675
Writer fees	700	-
Exhibition/Programs - Wages	3,072	-
Exhibition wages - EI	81	-
Exhibition wages - CPP	99	-
Installer contracts	1,184	-
Photo/document contracts	178	-
Artist lecture or workshop fees	725	-
Education, audience development	600	-
Artist travel	5,599	-
Accommodations	2,111	-
Per Diems	1,000	-
Shipping - Art	658	-
Catalogue/Publications and documents	1,367	-
Events and receptions	3,584	4,946
Equipment rentals	8,942	3,211
Installation materials	1,083	-
<b>Total Artistic Expenses</b>	<u>40,165</u>	<u>46,832</u>
	 <u>\$ 147,861</u>	 <u>\$ 218,483</u>

See notes to financial statements