

Financial Statements

Fresh Milk Art Platform Inc.

December 31, 2019

Fresh Milk Art Platform Inc.

Corporate Information

December 31, 2019

Directors

Annalee D. Davis

Simone Mangal

Natalie A. McGuire

Secretary / Chief Executive Officer

Annalee D. Davis

Registered Office

The Milking Parlour

Walkers Dairy, St George,

Barbados

Bankers

First Caribbean International Bank

Sheraton Branch

Christ Church, Barbados

Registered Company number : 36049

FRESH MILK ART PLATFORM INC.

Statement of Financial Position

As at December 31, 2019

(expressed in Barbados dollars)

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
Assets			
Current Assets			
Cash and cash equivalents	4	5,680	1,072
Other Assets			
Security deposit	5	1,000	1,000
Inventory, Furniture & Equipment	6	5,659	4,179
Total Assets		<u>12,339</u>	<u>6,251</u>
Current Liabilities			
Accounts payables and accrued liabilities		0	0
Fund			
General Fund		12,339	6,251
Total Fund & Liabilities		<u>12,339</u>	<u>6,251</u>

Approved by the Trustees on the day of , 2020

Annalee Davis

FRESH MILK ART PLATFORM INC.

Statement of Comprehensive Income and Expenditure For the year ending December 31, 2019

(expressed in Barbados dollars)

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
Revenue			
Contributions in Kind	7	117,364	10,548
Donations	8	6,433	3,978
Grant funding	9	31,480	10,000
Other Income	10	9,207	2,479
Total Revenue		<u>164,484</u>	<u>27,005</u>
Expenditure			
Salaries and wages	11	120,000	9,000
Programe expenses		7,216	2,571
Artist & Workshop expenses	12	12,297	1,884
Rent		6,000	6,000
Utilities		3,589	4,537
Miscellaneous expenses		581	664
Depreciation	6	1,937	1,775
Accounting services		2,400	2,400
Stationery and office expenses		1,898	1,672
Travel		70	
Repairs and maintenance		1,769	712
Bank charges		640	583
Total Expenditure		<u>158,397</u>	<u>31,797</u>
Net Surplus / (Deficit)		<u>6,088</u>	<u>(4,792)</u>

FRESH MILK ART PLATFORM INC.

Statement of changes in general fund
For the year ending December 31, 2019
(expressed in Barbados dollars)

	<u>General Fund</u>
Balance - July 1, 2012	0
Comprehensive surplus	9,744
Balance - December 31, 2012	<u>9,744</u>
Comprehensive deficit	(489)
Balance - December 31, 2013	<u>9,254</u>
Comprehensive surplus	6,888
Balance - December 31, 2014	<u>16,142</u>
Comprehensive deficit	(3,937)
Balance - December 31, 2015	<u>12,205</u>
Comprehensive surplus	7,079
Balance - December 31, 2016	<u>19,284</u>
Comprehensive deficit	(8,241)
Balance - December 31, 2017	<u>11,043</u>
Comprehensive deficit	(4,792)
Balance - December 31, 2018	<u>6,251</u>
Comprehensive surplus	6,088
Balance - December 31, 2019	<u><u>12,339</u></u>

FRESH MILK ART PLATFORM INC.

Statement of cash flows

For the year ending December 31, 2019

(expressed in Barbados dollars)

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
Cash flows from operating activities			
Net surplus / (deficit)		6,088	(4,792)
Adjustments for:			
Depreciation		1,937	1,774
Operating surplus / (deficit) before working capital changes		<u>8,024</u>	<u>(3,018)</u>
Increase in accounts payable and accrued liabilities		0	0
Net cash from / (used) in operating activities		<u>8,024</u>	<u>(3,018)</u>
Cash flows used in investing activities			
Purchase of inventory, furniture and equipment		(3,417)	
Increase in security deposit		0	0
Cash flows used in investing activities		<u>(3,417)</u>	<u>0</u>
Cash flows from financing activities			
		<u>0</u>	<u>0</u>
Net increase / (decrease) in cash and cash equivalents		4,608	(3,018)
Cash and cash equivalents - beginning of year		1,072	4,090
Cash and cash equivalents - end of year		<u><u>5,680</u></u>	<u><u>1,072</u></u>
<u>Cash and cash equivalents comprise of:</u>			
Cash at bank		5,648	1,019
Petty cash		32	53
		<u><u>5,680</u></u>	<u><u>1,072</u></u>

Fresh Milk Art Platform Inc.

Notes to the Financial Statements

December 31, 2019

1. Incorporation and principal activity

The Fresh Milk Art Platform Inc. (“the Company”) was incorporated in Barbados as a not-for-profit company registered under the Companies Act 1982 of Barbados, registration number 36049 on July 6, 2012. The Company commenced operations from July 2011 and formally launched its first public event in August 2011.

The Company has no share capital, and is carried on without pecuniary gain to its members. Any surplus is used in furthering its undertakings. Its registered office is situated at The Milking Parlour, St. George, Barbados.

The Company is restricted to :

- (a) Providing an informal platform for discussion and exchange of ideas among contemporary art makers and writers for the advancement of contemporary Caribbean art;
- (b) Providing support to art makers and writers to develop their skills; and
- (c) Accepting charitable donations to be used for the development of contemporary Caribbean art.

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities issued by the International Accounting Standards Board. The financial statements have been prepared on the historical cost basis.

(b) Revenue recognition

Grant income is recognized when the terms of the grant have been fulfilled. Interest income is recognized as earned. There has been no apportionment of revenue between restricted and non-restricted contributions. All other income is recognized when received

(c) Contribution-in-Kind

Volunteers contribute significant time every year to assist the Company in carrying out its service delivery activities. Wherever possible, a fair value of these services has been recognized in the financial statements, especially for major expense items like salaries and wages, rent and accounting services.

Fresh Milk Art Platform Inc.

Notes to the Financial Statements

December 31, 2019

(d) Currency

The financial statements are expressed in Barbados dollars, the primary currency in which the Company operates. Assets and liabilities in denominated in foreign currencies are translated in Barbados dollars at the rates of exchange prevailing at the year end. Transactions are translated at the rate of exchange prevailing at the time of each transaction. Exchange gains and losses are included in the statement of comprehensive income and expenditure.

(e) Taxation

The Company is registered as a benevolent not-for-profit organization with the Barbados Revenue Authority and is not subject to taxation in Barbados

(f) Impairment of assets

At each reporting date, the Company's assets are reviewed to determine whether there is any indication that these assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of the assets is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognized immediately in the statement of comprehensive income and expenditure.

(g) Inventory, Furniture and Equipment

Inventory (books), furniture and equipment are recorded at cost less accumulated depreciation and any accumulated impairment loss. Depreciation is provided on a straight line basis at a rate sufficient to write off the cost of the assets over their expected useful lives. The annual rates for this purpose are as follows:

Inventory (books)	10 %
Furniture	20 %
Computer equipment	33.3 %

Fresh Milk Art Platform Inc.

Notes to the Financial Statements

December 31, 2019

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make estimates and assumptions that affect the amounts of assets and liabilities within the financial statements. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Company reviews the estimated lives of Inventory, furniture and equipment at the end of each reporting period. There have been no changes to the estimates of the useful lives of inventory, furniture and equipment for the current year.

4. Cash and cash equivalents

<u>Cash and cash equivalents</u>	<u>2019</u>	<u>2018</u>
FCIB Bank account	5,648	1,019
Petty cash Float	32	53
	<u>5,680</u>	<u>1,072</u>

5. Security Deposit

This represents a refundable security deposit with First Caribbean Bank to secure a business credit card for Fresh Milk Art Platform Inc.

Fresh Milk Art Platform Inc.

Notes to the Financial Statements

December 31, 2019

6. Inventory, furniture and equipment

2019	Inventory	Furniture	Equipment	Total
<u>Cost</u>				
Beginning of year	9,039	3,550	4,875	17,464
Additions	412	0	3,005	3,417
Disposal during the year			(4,875)	(4,875)
Balance, end of year	<u>9,451</u>	<u>3,550</u>	<u>3,005</u>	<u>16,006</u>
<u>Accumulated</u>				
<u>Depreciation</u>				
Beginning of year	4,861	3,550	4,875	13,286
Charge for year	945		992	1,937
Disposal during the year			(4,875)	(4,875)
Balance, end of year	<u>5,806</u>	<u>3,550</u>	<u>992</u>	<u>10,347</u>
Net Book Value				
Beginning of year	<u>4,179</u>	<u>0</u>	<u>(0)</u>	<u>4,179</u>
Net Book Value				
End of year	<u>3,645</u>	<u>0</u>	<u>2,013</u>	<u>5,659</u>

2018	Inventory	Furniture	Equipment	Total
<u>Cost</u>				
Beginning of year	9,039	3,550	4,875	17,464
Additions	0	0	0	0
Balance, end of year	<u>9,039</u>	<u>3,550</u>	<u>4,875</u>	<u>17,464</u>
<u>Accumulated</u>				
<u>Depreciation</u>				
Beginning of year	3,957	3,550	4,004	11,511
Charge for year	904		871	1,775
Balance, end of year	<u>4,861</u>	<u>3,550</u>	<u>4,875</u>	<u>13,286</u>
Net Book Value				
Beginning of year	<u>5,083</u>	<u>0</u>	<u>871</u>	<u>5,954</u>
Net Book Value				
End of year	<u>4,179</u>	<u>0</u>	<u>(0)</u>	<u>4,179</u>

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Notes to the Financial Statements
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7. Contributions in Kind

<u>Contributions in Kind</u>	<u>2019</u>	<u>2018</u>
Professional Services	2,400	2,400
Rent	6,000	6,000
Salaries	62,844	
Wages	43,580	
Utilities	2,540	2,148
	<u>117,364</u>	<u>10,548</u>

8. Donations

<u>Donations</u>	<u>2019</u>	<u>2018</u>
Donations - Individuals	6,433	3,978
Donations - Corporate		
	<u>6,433</u>	<u>3,978</u>

9. Grant funding

<u>Grant funding</u>	<u>2019</u>	<u>2018</u>
Grant funding - Restricted	0	0
Grant funding - Unrestricted	31,480	10,000
	<u>31,480</u>	<u>10,000</u>

Fresh Milk Art Platform Inc.

Notes to the Financial Statements

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10. Other income

<u>Other income</u>	<u>2019</u>	<u>2018</u>
Residency Fees	9,207	2,479
Programme fee income		
	<u>9,207</u>	<u>2,479</u>

11. Salaries and wages

<u>Salaries and wages</u>	<u>2019</u>	<u>2018</u>
Salaries	72,000	
Wages and casual	48,000	9,000
	<u>120,000</u>	<u>9,000</u>

12. Artists and workshop expenses

<u>Artist and workshop expenses</u>	<u>2019</u>	<u>2018</u>
Artists expenses - residency	2,000	1,028
Artists expenses - general	9,640	783
Workshop expenses	657	73
	<u>12,297</u>	<u>1,884</u>

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Notes to the Financial Statements

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13. Related Party Transactions

<u>Related Party Transactions</u>	<u>2019</u>	<u>2018</u>
The following transactions were carried out with related parties :		
Barbara Davies - Rent of premises	<u>6,000</u>	<u>6,000</u>

14. Key Management Compensation

<u>Key Management Compensation</u>	<u>2019</u>	<u>2018</u>
<u>AnnaLee Davies - CEO</u>		
Paid	9,156	0
Contribution-In-Kind	<u>62,844</u>	<u>0</u>
Total	<u>72,000</u>	<u>0</u>
<u>Katherine Kennedy - Office Management</u>		
Paid	4,420	9,000
Contribution-In-Kind	<u>43,580</u>	<u>0</u>
Total	<u>48,000</u>	<u>9,000</u>
	<u>120,000</u>	<u>9,000</u>