



MUNICIPALITY OF

PORT HOPE

56 Queen Street Port Hope, ON L1A 3Z9

t: 905-885-4544 | f: 905-885-1807 | finance@porthope.ca

2024 Community Grant Application

Please complete the below 2024 Community Grant application. Any questions that have a red *asterisks are considered mandatory fields. Completed hard copy applications can be mailed, hand delivered or placed in our drop-box at Town Hall, 56 Queen Street, Port Hope, L1A 3Z9.

Organization Information

Organization/Charity Name: *

Sounds of the Next Generation: SONG

Address (Including Postal Code): *

PO Box 67, Cobourg, ON K9A 4K2

Contact Information

First and Last Name of Contact Person: *

Miles Bowman

Title of Contact Person: *

Executive Director

Phone Number: *

[REDACTED]

Alt. Phone:

[REDACTED]

Email: *

[REDACTED]

Applicant Eligibility

1. Are you a non-profit organization or a registered charity? Please select ONE: *

☒ Registered Charity

☐ Non-Profit Organization

If you are a registered charity as per CRA please indicate your registered number:

80529 1242 RR0001

2. Which of the following describes your non-profit organization or registered charity? (Select all that apply) *

☒ Initiate or deliver programs and services to the citizens of Port Hope.

☒ Provide events of a Municipal, Provincial or National significance, which could be expected to bring economic, and/or public relations benefit to the Municipality.

☐ Provide programs and services to address any urgent and pressing events and natural disasters (i.e. fire, flood, earthquake).

☐ Initiate programs or services for individuals, groups or teams who require assistance to participate in recognized regional, provincial, national or international championships.

Application Information

Name of Event or Program: *

SONG on the community stage

Current Year's
Request: \$ *

7575

Prior Year's Grant
Request:

6915

Prior Years' Awarded
Grant: \$

4000

Date of the Organization's Event: *

5/5/2024



Preferred Date to Receive Community Grant: *

1/15/2024



1. Please briefly describe the organization's programs and services: *

SONG makes music in public spaces that shows off young talent and celebrates our local culture in order to build a healthier and more connected community.

We offer FREE music programming to over 300 students, G1-12, from 18 schools in the Northumberland's Kawartha Pine Ridge District School Board. SONG offers group lessons in 5 streams: choir, drums, rock band, SONGtech (music and technology), and strings, and in 2023 held 24 public performances where our students engaged >6500 community members in local culture creation. But SONG isn't just making music...

SONG builds lifelong skills in self-regulation, resiliency, social connection and leadership for young people using a model found in every culture on the planet. We empower young people to find their community voice by making music in public spaces. Our skill-building allows positive emotional and psychological outlets through music-making and wellness activities. These critical lifelong skills positively influence health through adulthood.

SONG is the only program of its kind in Northumberland County. In addition to learning music, SONG helps young people perform in public. By partnering with local schools and arts organizations we include kids who wouldn't otherwise get access to music. Our programming teaches young people structure and the ability to work on something that matters to them. Our students get a place where they belong and learn that their voice matters in their community.

2. Please provide a statement of the organization's goals/objectives: *

SONG makes life better through music. We've discovered that the public thinks we simply teach music, which understates the power of what our programming does. We know, because we hear it from families and volunteers: we change lives.

SONG supports kids' and youth's social development and creates lasting multigenerational connections by:

- Increasing arts and culture appreciation through participatory public performances that feel good;
- Helping the public understand the arts through hands-on education; and
- Employing local arts workers and training youth to participate in the culture creation economy.

Okay Taken together, this means that SONG's primary objective is to show the positive and healthful impact of creating and sharing local stories and culture. While our approach is rooted in music education for children and youth, our model means actively engaging the whole community in that process. We create opportunities to add multigenerational interactions and public performances that highlight the expanding cultural diversity within our municipality. Finally, one of our key objectives is to make sure that the cultural contributions of young people in our community are visible, noticed, and respected.

3. If Council approves the organization's Community Grant request, what will the funding be used for? *

Funding from the Municipality of Port Hope would be used to facilitate our public music making in Port Hope spaces. Specifically, the funds would support access to performance spaces and subsidize a portion of staffing costs for the frequent requests we receive to bring music to local events.

Last year's unprecedented successes — born from significant local collaborations — demonstrated that our community both values and wants to participate in music. But making music in Port Hope requires paying for the appropriate venues (e.g., The Capitol, Road To Cultivate Contributions in the Bandshell)

In 2022-2023, SONG put on four major productions and a weeklong workshop at The Capitol Theatre. Programming in this professional space comes with rental costs (but discounted because of our mutually-beneficial relationship). The funding request covers the renting this venue for our:

- 1) Spring spotlight concert and annual headliner concert fundraiser on the main stage, (\$900 x 2 = \$1800, May, Nov 2024);
- 2) Youth coffee houses in the Sculthorpe Theatre, (\$200 x 6 = \$1200, Jan, Feb, Apr, Jun, Oct, Nov, 2024);
- 3) Staffing costs for our spring songwriting workshop (\$1200/ week = \$30hr x 40 hours, to prepare and run the workshop content).

We will build upon the success of SONG's drumming circle as part of our downtown collaboration with Road to Cultivate and Market in the Park. This event demonstrated over its eight weeks how our community can participate in music-making together. With minimal investment this event could be improved by paying artists to facilitate these events as public workshops. Held outside in downtown Memorial park, our drumming program presents a rare opportunity to enhance municipal assets and safely engage residents and visitors in community programming.

- 4) Drumming Circle Workshops - hire percussion facilitators, pay artist fees, fund travel for artists and purchase any supporting material used for workshops, \$1875

Our collaborations through 2023 revealed that as SONG's profile elevates, we are being asked to contribute music-making to public events, including those run by the municipality. To embrace this relationship and add music-based activations to public events the fifth component of our request is to subsidize a limited number of community engagement events. SONG would

- 5) Collaborate with MPH to add public music making to cultural events like the Port Hope Arts Festival, Canada Day, Candlelight Festival. Last year we determined \$300 subsidizes our staff's time. We propose 5 such collaborative days with MPH (5 x \$300 = \$1500.

4. Please provide a description of how the organization intends to measure the success of the program or service: *

SONG's uses three key metrics, two internal and one external: 1) numbers of students enrolled; 2) programming cost-per-student; and 3) Numbers engaging with programming.

By adopting group-teaching models and public performances more students get to experience music for a lower cost-per-student. While ongoing at the time of writing this application, SONG's enrollment has surged from 100 last fall to 300+ this fall. This despite adding new programming, our cost-per-student has come down from ~\$900 to heading below \$700. Many of these are local students; for example, our 2023 collaboration at Ganaraska Trail School (Listen UP) involved 100 students and resulted in a significant uptick from that school to start our 2023-2024 season. At over 310 Northumberland students enrolled, we have larger numbers than several of our KPR feeder schools.

As SONG focuses on public music making we naturally engage more of the community. With the Drumming Circles, Youth Coffee Houses (open mic-style events), and public concerts (at the Capitol) we jumped from ~2000 local contacts to in excess of 6500, creating public performance opportunities for at least 643 young people. While exact Port Hope numbers are difficult, 20/24 of our public events were held in Port Hope. Using that ratio, we estimate at least 5400 residents from this municipality engaged with SONG programming in person.

SONG's success is tracked by other metrics, including collaborations (see section 7), public awards (8 nominations, 3 wins, 1 pending), and our social media influence. Our social media numbers demonstrate we regularly reach over 10000 monthly accounts, drawing significant traffic from our county and its surrounding areas. Meta's performance indices show us in the top 25% of charities of our size for engagement. Taken together these numbers mean we help put Northumberland on the map as a place with family-based programming and diverse culture events.

5. What is the approximate geographic audience demographic that you plan to target? (i.e. 300 Adults and 50 Kids: 75% Port Hope Residents) *

An important factor of living in rural Port Hope is that sharing resources around the county allows better overall programming. So, while a significant proportion of our support comes from Port Hope, communities across Northumberland also back and benefit from SONG.

Our geographic reach tends to be measured across Northumberland; at least 50% of our enrollment and audience is from Port Hope (though likely much higher given 80% of our public performances are held here).

From the totals in section 4, we can conservatively estimate over 300 Port Hope students (Gr.1-12), and 5000 citizens will engage with SONG.

Our past student demographic work indicates we enjoy above-average representation from individuals who identify as: 2SLGBTQIA+, at-risk of leaving school, below the poverty line, BIPOC, have learning exceptionalities, new Canadians, and precariously housed.

6. What new initiatives will the organization be doing in the upcoming year? *

New Initiatives: 1) Expanding our youth talent incubator: a series of programs to develop local talent with professional mentors and performance venues, 2) Improving our Community Music Making and 3) Developing our relationship with MPH.

By relocating the monthly Youth Coffee House event to the Sculthorpe Theatre at The Capitol, we'll elevate the public's perception of what youth have to offer. We will add features to this series as its popularity grows – creating social spaces for young people, business opportunities for local vendors and exploring models that can have young adults (e.g., Loyalist Students) take over the stage as the evening progresses.

Last year's Songwriting Workshop fed the success of the Youth Coffee Shops. For example, one participant has since played at multiple public and community events, recorded her own music, and performed abroad in Europe. This model can be replicated at greater scale.

Our Drum Circles highlight the impact of public music-making. We want to add structure to these events with guided workshops and professional assistance engaging the community. With an in-built audience a low cost-per-participant investment would improve these events.

Finally, last year we learned that we are the go-to entity when multiple community stakeholders requested SONG to add music to public events. To embrace this role, we requested funds to help us cover staffing costs for a handful of these events (e.g., Canada Day, Port Hope Arts Festival, Candlelight Walk). We'd like to better plan how SONG staff and more importantly students can participate at these events.

7. Does the organization work jointly with any other community or organization? If yes, please provide details: *

SONG's recent successes are the direct result of collaborations that support the work and planning of other organizations. We work with Abby Zolt's AbZOLutely Choir, The Capitol, Critical Mass, Cultivate's Road to Cultivate music series and Hibernian Music Festival, Float Your Funny, Greenwood Coalition and Imagine, The Marie Dressler Museum in Cobourg, Northumberland Players, Port Hope Beats, Rotary Clubs (all three Northumberland clubs) Stand UP for Student Wellbeing, The Vintage Film Festival, Safe Harbour (or Mentor Choir) and we support and participate in MPH sponsored events like Canada Day Parade, the Candlelight Walk, and Port Hope's Arts Festival. We currently draw students from 18 Northumberland KPRDSB schools and conduct programming in 6 of them (3 in Port Hope). In our capacity as music makers we provided musical activations at these organizations' events. And by raising awareness of or giving away tickets to local arts events we help ensure their successes (629 attendees at local events, not counting families).

We would like to expand to working relationships with business groups as part of finding opportunities to add music-making to public spaces. This will also provide an excellent opportunity for SONG participants to engage with the community.

8. Does the Municipality provide your organization other financial support? (i.e. fee waiver, etc.) If yes, please indicate the amount: *

No. Fee waivers for programming in town buildings would be a benefit for us as we look to planning out and generating summer programming that could be affordable to our local residents.

9. How is the organization decreasing reliance on Municipal funding? *

SONG faces a novel situation. Our expanding profile and demand for community engagement are outstripping our projected growth. Thus, our request this year will help stabilize our organization as we implement longer-term fundraising measures to help the organization be self-sufficient. For example, fall 2023 we are launching a high-profile \$100K fundraising campaign with three more fundraising events planned before 2023's close.

Our request here is part of a strategy to work with the municipality to reduce booking fees and ensure our programming continues to be offered across Port Hope in professional spaces. These efforts facilitate bringing in professional artists that boost SONG's and Port Hope's reputation and help apply for and acquire more diverse funding (Ontario Arts Grants, Canada Council) in subsequent years.

10. Please indicate how the Municipality's financial support will be acknowledged. If possible, please provide an example: *

We feature MPH's logo on our social media posts and website donor page, and credit MPH at our public events and drumming circles. As part of its commitment to recognize granters and sponsors, SONG would credit the town at all public music-making experiences for which funding is provided. We have been overhauling our relationship to sponsors and we now know that through strategic engagement with our dedicated audience we generate a 3:1 return for investors.

Because we bring music into public spaces, we think it would be prudent to acquire a town banner, if available, to display at our events. Port Hope's community support and programming presence would rightly be benefitted by this kind of frequently-visible display.

11. Any additional information you find necessary:

If you'd like to view any of SONG's programming, and learn more about what we do, please visit:

Website: www.songprogram.org

Facebook: @SoundsoftheNextGeneration

Instagram: @SONGprogram

Please attach the completed Community Grant Financials Excel *

File Name



2024 Community Grant Financials SONG.pdf

237.7 KB

Community Grant Application Attestation

Organization/Charity Name: *

Sounds of the Next Generation: SONG

Address (Including Postal Code): *

PO Box 67 Cobourg, ON K9A 4K2

Current Year's Request: \$ *

7575

First and Last Name of Contact Person: *

Miles Bowman

Title of Contact Person: *

Executive Director

Phone Number: *

[REDACTED]

Alt. Phone:

[REDACTED]

Email: *

[REDACTED]

Having requested financial assistance from the Municipality, the Organization agrees to the following conditions if a grant in any amount is awarded:

- a. The Organization confirms that the representations contained in the application for financial assistance are true and correct in every respect and that in the event that the funds are not used for the project or programs as described in the application, or if there are misrepresentations in the application, the full amount of the financial assistance will be payable to the Municipality.
- b. If there are any changes in the funding of the project from that contemplated in the application, the Municipality will be notified of such changes through the Director of Finance.
- c. That the Organization will make or continue to make attempts to secure funding from other sources as indicated in its application.
- d. That the Organization will keep proper books of accounts of all receipts and expenditures, relating to the program, services or project.
- e. That the Organization will retain and make available for inspection by the Municipality or its auditors, all records and books of accounts of the Organization upon request from the Municipality which may be made within 2 years of the grant award.
- f. That if the programs or services proposed in the Organization's application are not commenced, or are not completed and there remain Municipality's funds on hand, or are completed without requiring the full use of the Municipality funds, such Municipality funds will be returned to the Municipality.
- g. That the program or services not be represented as a Municipal program or service, and that the Organization does not have authority to represent itself as an agency of the Municipality in any way, the only relationship being that the Municipality has approved the granted financial assistance to the Organization.
- h. That should the Organization receive grant funding and subsequently cancel an event, the Organization must dispose of their assets in a responsible manner that meets the approval of the Municipality.

Signing Authority

We certify that to our knowledge, the information provided in this application for a Municipal Community Grant is accurate and completed and endorsed by the organization which we represent.

Authorized Signing Officer # 1 - Name *

Authorized Signing Officer # 1

Miles Bowman

Date (MM/DD/YYYY) *



Please ensure that this application is accompanied by the Community Grants Financials Excel document. Submitting this application without the Financials Excel document will be considered incomplete. Additionally, if your organization has been audited, you must also include your organization's audited statements as a PDF document or hard copy (if applicable).

Personal information is collected on this form under the authority of the Municipal Act and the Municipal Freedom of Information and Protection Act (MFIPPA). This information, once collected, may be accessible by members of the public upon request, unless exempted by law. Furthermore, this information may be published as part of the public record, in accordance with the legal requirements set out in MFIPPA and other legislation. Questions regarding the collection, use and disclosure of personal information can be directed to the Municipal Clerk at 905-885-4544 or clerk@porthope.ca.

**Municipality of Port Hope
Community Grant Application**

**SOUNDS OF THE NEXT GENERATION: SONG
Organization's Statement of Revenue & Expenses**

Organization's fiscal year-end: **31/Aug/23**

Please note: Additional lines can be inserted. Please enter values as a positive number.

	2022 Actual	2023 Year End Projection	2024 Budget	Notes
Expenses				
List all types of expenses (ie. office supplies, salaries & wages, materials, etc.)				
Music Instruction and Development	\$ 96,190	\$ 111,115	\$ 129,254	
Operating Costs	\$ 16,468	\$ 40,239	\$ 54,035	SONG added a part-time Artistic Director in 2022 and a part-time Executive Director in 2023
Marketing and Fundraising	\$ 2,726	\$ 18,030	\$ 29,030	
Administrative	\$ 12,000	\$ 23,831	\$ 25,139	SONG projects a part-time Administrative Coordinator in 2023-24 season which elevates these totals
Amortization	\$ 4,739	-	-	
Total Expenses:	\$ 132,123	\$ 193,215	\$ 237,458	
Revenues				
List all types of revenues (ie. ticket sales, admin fees, interest revenue, etc.)				
Individual Donors	\$ 27,762	\$ 50,000	\$ 100,000	
Corporate Donors	\$ 27,225	\$ 60,000	\$ 75,000	
Gov't Contributions			\$ 2,500	
Events and Performances	\$ 17,454	\$ 45,000	\$ 55,000	
Trusts	\$ 1,150			
United Way	\$ 3,300	-	\$ 3,000	
Membership	\$ 1,060	\$ 1,000	\$ 2,500	
Interest	\$ 228			
Applied Deferred Contributions	\$ 2,000	\$ 2,000	\$ 2,000	
Restricted - OTF -	\$ 50,882	\$ 33,400		
Total Revenue:	\$ 131,061	\$ 191,400	\$ 240,000	
Net Surplus/(Deficit):	\$ (1,062)	\$ (1,815)	\$ 2,542	
Grants from Municipality:	\$ 5,000	\$ 4,000	\$ 7,575	Do not include in Revenues section above
Total Net Surplus/(Deficit):	\$ 3,938	\$ 2,185	\$ 10,117	

Comments:

Note: This form is to include any amounts included in the event/programs statements

SOUNDS OF THE NEXT GENERATION (SONG)

Financial Statements

August 31, 2022

SOUNDS OF THE NEXT GENERATION (SONG)
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Year Ended August 31, 2022

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Sounds Of The Next Generation (SONG)

We have reviewed the accompanying financial statements of Sounds Of The Next Generation (SONG) (the organization) that comprise the statement of financial position as at August 31, 2022, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Sounds Of The Next Generation (SONG) as at August 31, 2022, 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.

Port Hope, Ontario

Chartered Professional Accountants
Licensed Public Accountants

SOUNDS OF THE NEXT GENERATION (SONG)
Statement of Financial Position
As at August 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 88,311	\$ 58,826
Marketable securities (Cost 4,032) (Note 4)	3,951	-
Prepaid expenditures	6,383	1,383
	<u>98,645</u>	<u>60,209</u>
PROPERTY, PLANT AND EQUIPMENT (Note 5)	6,769	11,508
RESTRICTED FUNDS (Note 7)	3,021	31,806
	<u>9,790</u>	<u>43,314</u>
	<u>\$ 108,435</u>	<u>\$ 103,523</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 6,781	\$ 4,164
Deferred revenue	418	-
	<u>7,199</u>	<u>4,164</u>
DEFERRED CONTRIBUTIONS (Note 6)	2,000	4,000
	<u>9,199</u>	<u>8,164</u>
NET ASSETS		
GENERAL FUND	38,107	52,045
CAPITAL FUND	7,334	11,508
RESTRICTED FUND (Note 7)	53,795	31,806
	<u>99,236</u>	<u>95,359</u>
	<u>\$ 108,435</u>	<u>\$ 103,523</u>

ON BEHALF OF THE BOARD

Director

Director

The accompanying notes form an integral part of these financial statements

SOUNDS OF THE NEXT GENERATION (SONG)

Statement of Revenues and Expenditures

Year Ended August 31, 2022

	General Fund	Capital Fund	Restricted Fund	2022	2021
REVENUES					
Individual donors - Schedule 1	\$ 27,762	\$ -	\$ -	\$ 27,762	\$ 41,531
Corporate donors - Schedule 1	27,225	-	-	27,225	6,800
Government contributions	5,000	-	-	5,000	17,000
Events and performances	17,454	-	-	17,454	-
Trusts, foundations and service clubs - Schedule 1	1,150	-	-	1,150	4,600
United Way - Schedule 1	3,300	-	-	3,300	-
Memberships dues - Safe Harbour Choir	1,060	-	-	1,060	300
Interest	248	-	-	248	45
Applied deferred contributions	2,000	-	-	2,000	2,000
Ontario Trillium Foundation - SONGtech program	-	-	7,300	7,300	66,100
Ontario Trillium Foundation - Resilient Communities	-	-	43,582	43,582	-
	85,199	-	50,882	136,081	138,376
EXPENDITURES					
Musical instruction and development	67,410	-	28,780	96,190	76,323
Operating costs	16,468	-	-	16,468	7,691
Marketing and fundraising	2,726	-	-	2,726	12,985
Administrative	11,887	-	113	12,000	13,039
Amortization	-	4,739	-	4,739	3,777
	98,491	4,739	28,893	132,123	113,815
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES FROM OPERATIONS	(13,292)	(4,739)	21,989	3,958	24,561
Unrealized gain (loss) on investments	(81)	-	-	(81)	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (13,373)	\$ (4,739)	\$ 21,989	\$ 3,877	\$ 24,561

The accompanying notes form an integral part of these financial statements

SOUNDS OF THE NEXT GENERATION (SONG)
Statement of Changes in Net Assets
Year Ended August 31, 2022

	General Fund	Capital Fund	Restricted Fund	2022	2021
BALANCE AT BEGINNING OF YEAR	\$ 52,045	\$ 11,508	\$ 31,806	\$ 95,359	\$ 70,798
Excess (deficiency) of revenues over expenditures	(13,373)	(4,739)	21,989	3,877	24,561
Transfers	(565)	565	-	-	-
BALANCE AT END OF YEAR	\$ 38,107	\$ 7,334	\$ 53,795	\$ 99,236	\$ 95,359

The accompanying notes form an integral part of these financial statements

SOUNDS OF THE NEXT GENERATION (SONG)
Statement of Cash Flows
Year Ended August 31, 2022

	2022	2021
OPERATING ACTIVITIES		
General fund excess (deficiency) of revenues over expenditures	\$ (13,373)	\$ (3,337)
Capital fund excess (deficiency) of revenues over expenditures	(4,739)	(3,777)
Restricted fund excess of revenues over expenditures	21,989	31,675
Items not affecting cash:		
Amortization of equipment	4,739	3,777
Write-down of investments	81	-
	<u>8,697</u>	<u>28,338</u>
Changes in non-cash working capital:		
Accounts payable	2,614	4,164
Deferred revenue	418	-
Prepaid expenditures	<u>(5,000)</u>	<u>-</u>
	<u>(1,968)</u>	<u>4,164</u>
Cash flow from operating activities	<u>6,729</u>	<u>32,502</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(9,605)
Proceeds from sale (purchase) of investments	<u>(4,032)</u>	<u>-</u>
Cash flow used by investing activities	<u>(4,032)</u>	<u>(9,605)</u>
FINANCING ACTIVITY		
Deferred contributions	<u>(2,000)</u>	<u>(2,000)</u>
Cash flow used by financing activity	<u>(2,000)</u>	<u>(2,000)</u>
INCREASE IN CASH FLOW	697	20,897
CASH - BEGINNING OF YEAR	<u>90,632</u>	<u>69,735</u>
CASH - END OF YEAR	<u>\$ 91,329</u>	<u>\$ 90,632</u>
CASH CONSISTS OF:		
Cash	\$ 88,308	\$ 58,826
Resticted Funds (Note 7)	<u>3,021</u>	<u>31,806</u>
	<u>\$ 91,329</u>	<u>\$ 90,632</u>

The accompanying notes form an integral part of these financial statements

SOUNDS OF THE NEXT GENERATION (SONG)
Notes to Financial Statements
August 31, 2022

1. PURPOSE OF THE ORGANIZATION

Sounds Of The Next Generation (SONG) (the "organization") is a not-for-profit organization incorporated under the Ontario Business Corporations Act. The organization became a registered charity on February 21, 2014 and is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The organization operates to advance the public's appreciation of the arts by providing performing arts concerts and events performed by underserved children and youth, providing instructional seminars of choral and orchestral music to underserved children and youth and to undertake activities ancillary and incidental to these purposes.

2. BASIS OF PRESENTATION

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization. Equipment is amortized over its estimated useful life at the following rates and methods:

Musical instruments	20%	declining balance method
Computer equipment	55%	declining balance method

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

Equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenditures are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

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

Concert fees are recognized as revenue of the General Fund when the concerts are performed.

(continues)

SOUNDS OF THE NEXT GENERATION (SONG)
Notes to Financial Statements
August 31, 2022

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

Fund accounting

Sounds Of The Next Generation (SONG) follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Capital Fund reports the assets, liabilities, revenues and expenditures related to the organization's capital assets.

The Restricted Fund reports the assets, liabilities, revenues and expenditures related to the Trillium Funding received.

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 expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts and useful lives of capital assets. Actual results could differ from these estimates.

Contributed services

Volunteers contribute a significant amount of their time each year. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Financial instruments policy

Financial instruments are recorded at its fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, financing fees and transaction costs that are directly attributable to the instrument. These costs on the acquisition, sale or issue of financial instruments are expensed when incurred if the financial instrument will be subsequently measured at fair market value. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date when there are indications of impairment.

Financial assets measured at amortized cost on a straight-line basis include cash, term deposits, trade and other accounts receivable, and notes receivable.

Financial liabilities measured at amortized cost on a straight-line basis include the bank overdraft, the bank loan, accounts payable, wages payable, amounts due to directors, long-term debt and retractable shares reported as financial liabilities.

SOUNDS OF THE NEXT GENERATION (SONG)
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4. MARKETABLE SECURITIES

	2022	2021
RBC Dominion Securities	\$ 3,951	\$ -
Cost	\$ 4,032	\$ -

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Musical instruments	\$ 16,019	\$ 12,384	\$ 3,635	\$ 4,544
Computer equipment	9,605	6,471	3,134	6,964
	\$ 25,624	\$ 18,855	\$ 6,769	\$ 11,508

6. DEFERRED CONTRIBUTIONS

During the 2018 fiscal year, the organization received a donation of \$10,000 with the stipulation that it is to be spent over the next five years at an annual amount of \$2,000 per year.

7. RESTRICTED FUNDS

During the year, the organization received a Foundation Resilient Communities Fund grant of \$73,400 over 12 months from the Ontario Trillium Foundation to rebuild and recover from impacts of Covid-19 by continuing to build on virtual practices and performances, and increasing wi-fi capabilities for 10 students, ensuring that at-risk children and youth continue connecting through song.

8. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of August 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

(continues)

SOUNDS OF THE NEXT GENERATION (SONG)
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8. FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is mainly exposed to XXX risk and XXX risk.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

9. OTHER ISSUES

Subsequent to August 31, 2022, the global COVID-19 pandemic has severely impacted economic activities around the world and it continues to evolve. The duration and impact of the pandemic remains uncertain at this time. The organization has determined that these events are non-adjusting subsequent events. Hence, the financial position and results of operations as of and for the year ended August 31, 2022 have not been adjusted to reflect their impact, if any. As well, the organization is not able to reliably estimate the effects of the pandemic on the results of its future operations and financial position.

SOUNDS OF THE NEXT GENERATION (SONG)**Schedule of Donations Revenue****(Schedule 1)****Year Ended August 31, 2022**

	2022	2021
Individual donors		
Major gifts and donations	\$ 13,215	\$ 26,632
Annual Programs	14,547	14,899
	27,762	41,531
Corporate donors		
Corporate donations	12,225	6,800
Sponsorships	15,000	-
	27,225	6,800
Trusts, foundations and service clubs		
Service Groups donations	700	1,000
Other donations and sponsorships	450	3,600
	1,150	4,600
Other		
United Way	3,300	-
	\$ 59,437	\$ 52,931

The accompanying notes form an integral part of these financial statements