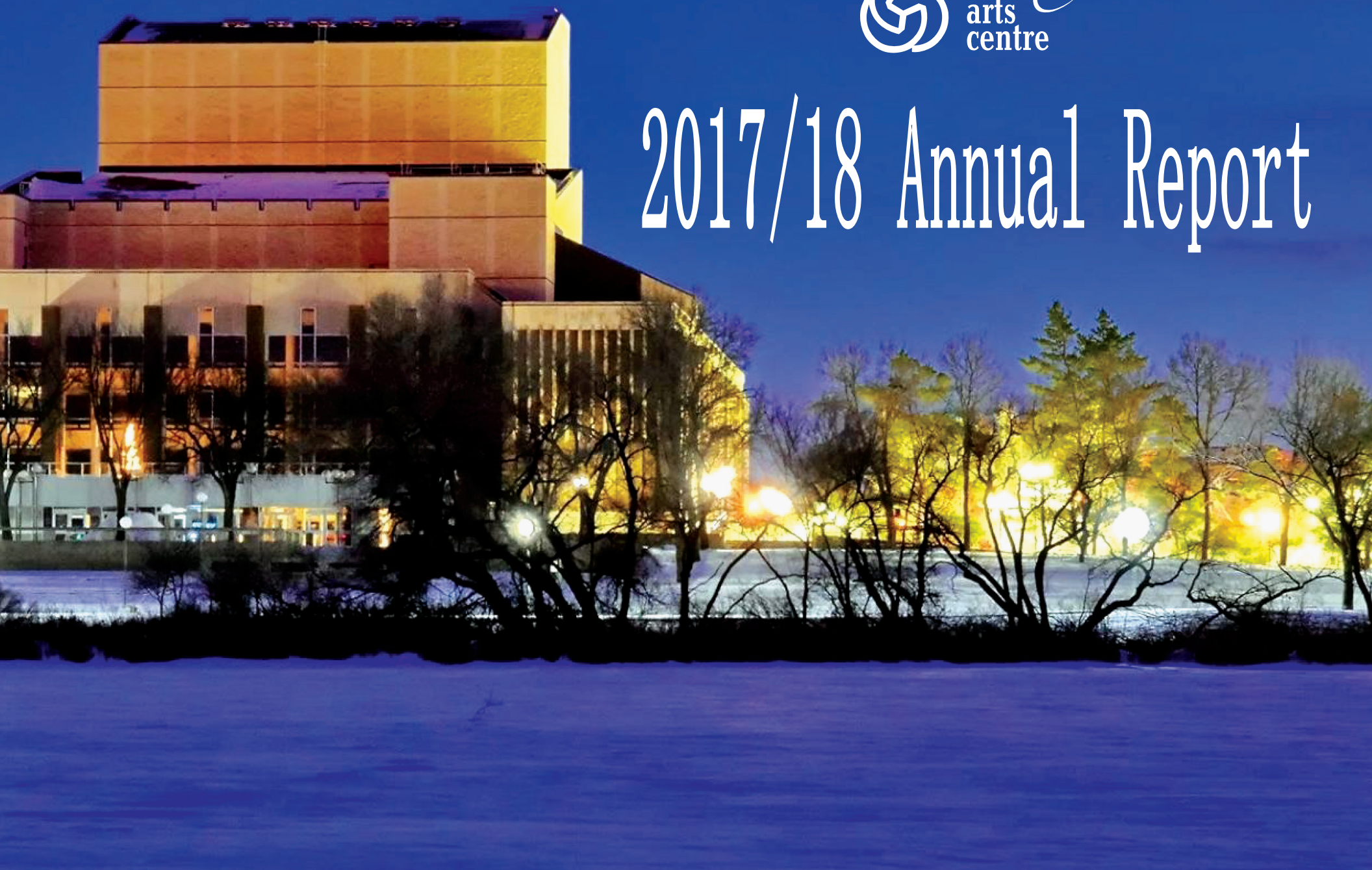




# 2017/18 Annual Report



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# MESSAGE FROM THE MINISTER RESPONSIBLE

Letter of Transmittal



To the Honourable W. Thomas Molloy,  
Lieutenant Governor of Saskatchewan

May it Please your Honour:

In accordance with Section 27(1) of the Saskatchewan Centre of the Arts Act, 2000 (Chapters S-10.1), I hereby submit the forty-eighth Annual Report on the activities of the Centre for the period from April 1, 2017 to March 31, 2018.

Respectfully submitted,

A handwritten signature in cursive script, reading "Ken Cheveldayoff". The signature is written in dark ink on a light background.

Ken Cheveldayoff  
Minister Responsible  
For the Provincial Capital Commission

# MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Minister:

The Conexus Arts Centre is pleased to submit the 2017-18 Annual Report. This has been an exceptional year for the Centre with events to attract every age and cultural demographic. The Centre continues to prove itself as Southern Saskatchewan's premier facility for performing arts, and an essential institution in catering and convention services.

The Centre was host to over a quarter million guests from across the province and beyond. Our patrons enjoyed a great variety of performances including live theatre with the Jersey Boys Musical, Menopause the Musical, The Wizard of Oz, comedians to please all audiences, Canadian superstars including KD Lang, Jann Arden and Buffy St. Marie, International artists including Daniel O'Donnell, Nitty Gritty Dirt Band and The Tenors just to name a few. In addition to the wide variety of catering and convention services the Centre participated in this past year we were also proud to have hosted two thousand young First Nations Athletes during their summer games for meal services the first week in August.

The Centre's goal to become self-sufficient and secure the Centre's future as a vibrant and sustainable asset in Regina and southern Saskatchewan continues to be the focus of the Board of Directors with strategic planning and supporting the solid foundation that the Centre has in place. The Centre continues to expand its lines of business with the creation of a new and successful summer festival - the YQR Beerfest - and continues to grow events such as the International Whisky Show and the Wine in Wascana show.

On behalf of the Board of Directors I would like to congratulate the team at the Centre for their continued commitment to the Centre's success. We look forward to another exciting year in 2018-19.

In accordance with Section 27(1) of The Saskatchewan Centre of the Arts Act, 2000, I hereby submit the forty-eighth Annual Report on the activities of the Centre for the period April 1, 2017 to March 31, 2018.

Sincerely,



Jim Hopson  
Chair, Board of Directors  
Conexus Arts Centre





# BOARD OF DIRECTORS

THE HONOURABLE  
KEN CHEVELDAYOFF  
MINISTER RESPONSIBLE

## CURRENT BOARD OF DIRECTORS

JIM HOPSON—CHAIR  
NANCY CHERNEY—VICE CHAIR  
ROGER BRANDVOLD  
TWYLA MACDOUGALL  
TWYLA MEREDITH  
RICHARD MURRAY  
DAVE PETTIGREW  
MARY TAYLOR ASH



Jim Cuddy

### Committees of the Board of Directors:

#### Audit and Finance Committee

Twyla MacDougall—Chair  
Twyla Meredith  
Richard Murray  
Mary Taylor Ash

Jim Hopson— Board Chair and ex-officio on both committees

#### Governance Committee

Roger Brandvold—Chair  
Nancy Cherney  
Dave Pettigrew

## CHIEF EXECUTIVE OFFICER

Looking back over the past year at the Centre fills me with a deep sense of pride. The year has been a whirlwind of amazing acts, from the legendary Jim Cuddy to the hilarious Bill Burr, the magic of Darcy Oake and so many other amazing performances. I would be amiss if I didn't mention the excitement of live musical theatre this year featuring Jersey Boys, The Wizard of Oz, Oh What a Night and Menopause the Musical. Over the last 12 months, we exceeded all targets and expectations for attendance, number of events and sponsorship support. We reached over 63,000 of our area's youth and further expanded the diversity of patrons. Although there are many economic challenges that we faced this past year there were also many signs of steady growth and operational improvements at the Centre.



Our team continues to work tirelessly to find new and creative ways to host and attract events. Whether it is creating new events, partnerships or self-producing events our focus is always to increase traffic and use of the facility and create memorable experiences for our guests. In 2017-2018 the Centre created one new event, self-promoted nine concerts, partnered on dozens of events and hosted hundreds of other events for individuals, corporations and organizations.

The Centre has been part of our community for over 48 years. Renewal of our aging equipment and facilities continues to be a major priority for the Board and management. As we embark upon a major milestone of celebrating 50 years of showcasing some of the finest local, national and international talent available, we must be in a position to ensure this facility is preserved for future generations.

The success of the past year is no accident. Our dedicated staff, Board of Directors, loyal sponsors and our naming partner Conexus Credit Union have all contributed heavily to the Centre's success.

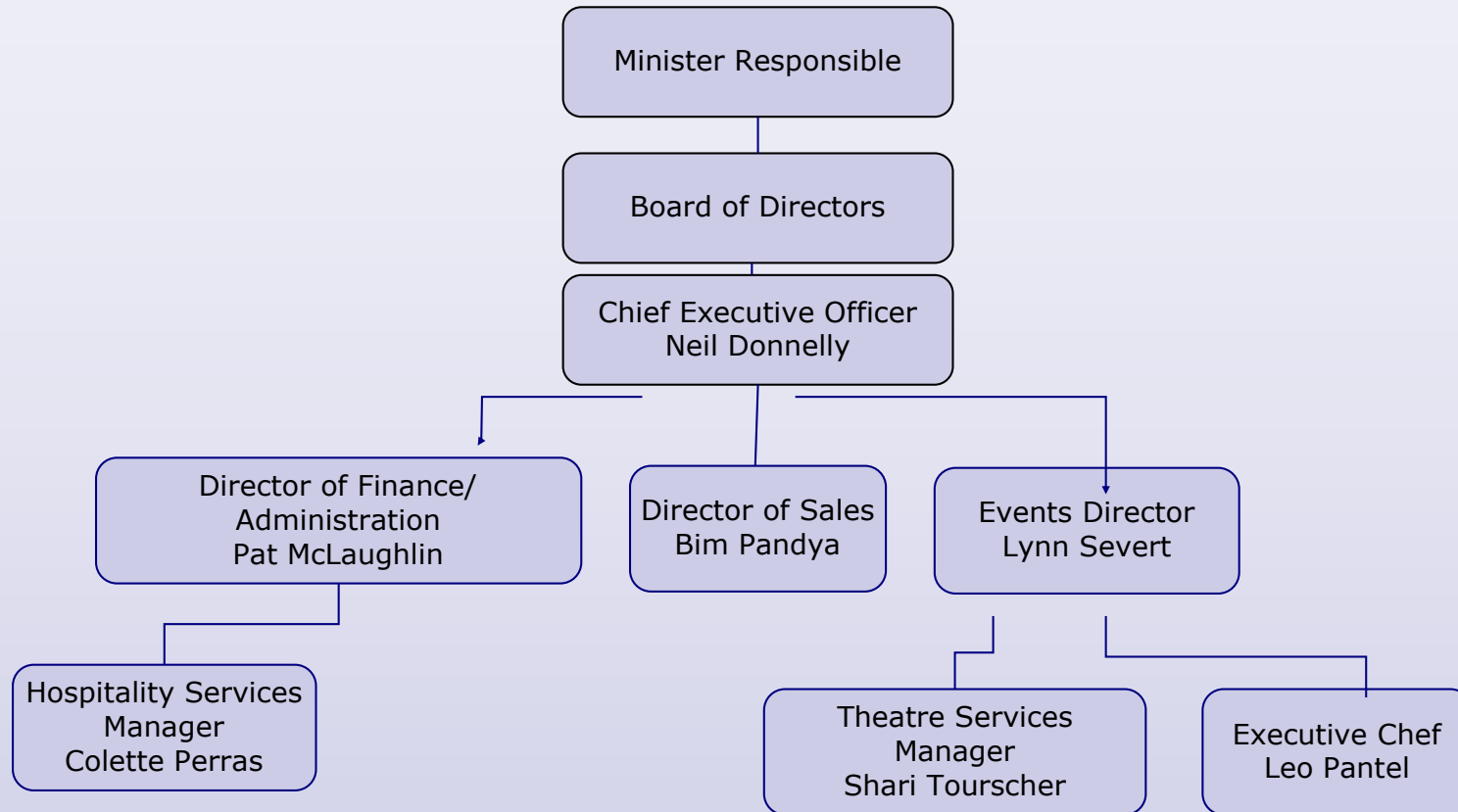
Respectfully submitted,

A handwritten signature in black ink, which appears to read "Neil Donnelly". The signature is fluid and cursive.

Neil Donnelly  
Chief Executive Officer



## Conexus Arts Centre Organizational Structure



# MISSION, VISION AND GOALS

**MISSION:** To consistently deliver memorable guest experiences by facilitating and providing convention, catering and entertainment activities that build loyalty and growth for the Centre.

**VISION STATEMENT:** To be a self sustaining facility in the community showcasing local, national and international entertainment, convention and catering events that delivers outstanding guest experiences.

**GOALS:** Guests First. Deliver memorable and outstanding guest experiences.

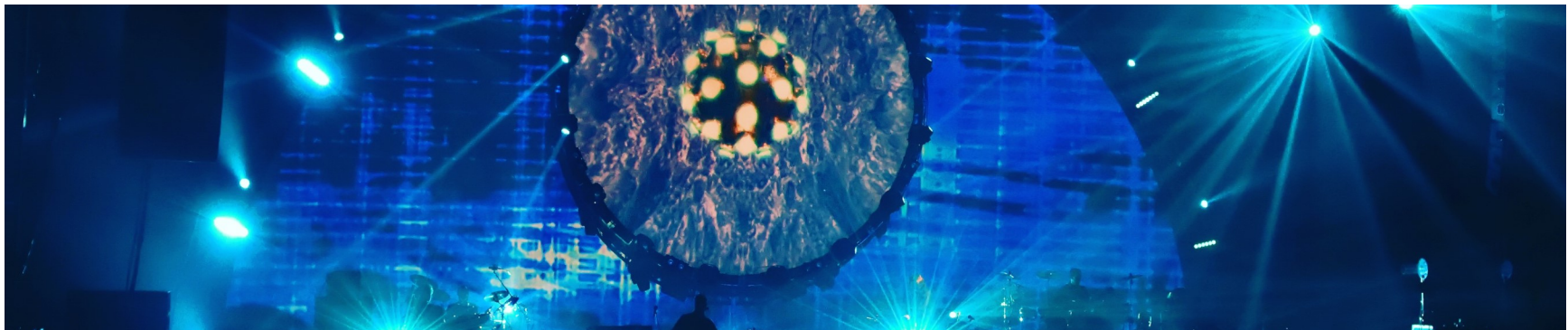
Loyal, knowledgeable and professional team who consistently delivers memorable and outstanding experiences to guests.

To identify and utilize industry best practices to accomplish the strategic plan and establish a sustainable foundation for the future.

To be sustainable, cover operational costs and contribute to the facility maintenance and program capital.

To expand and develop community and corporate relationships.

To promote the Centre through direct sales and marketing activities.







Dean Brody

# ENTERTAINING SOUTHERN SASKATCHEWAN

We bring the world to our stage. We enrich lives, and create community through our mission to provide world class entertainment to the people of Southern Saskatchewan.

## Convention/Catering:

Hosted 602 events with attendance of 148,283 clients.

## Theatre:

Featured 116 performances with attendance of 125,945 patrons.

We are proud to have hosted such a wide and versatile array of events and performances in 2017/18.

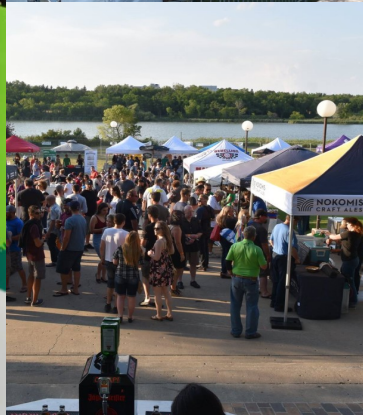
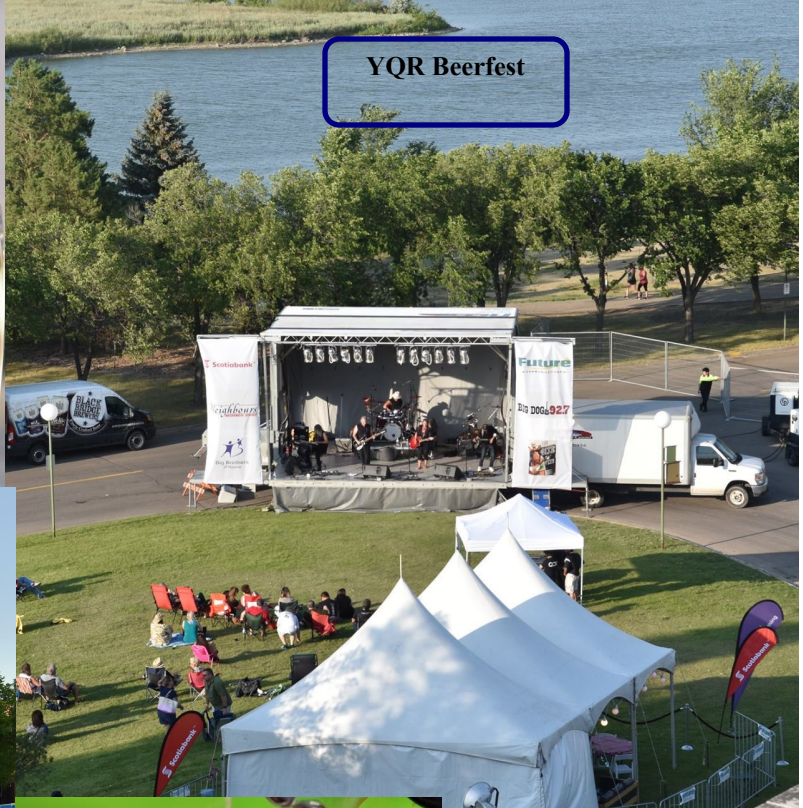
### CONVENTION & CATERING

CATEGORY	# OF EVENTS	ATTENDANCE
Meetings	253	29201
Seminars/Conferences	6	2,744
Breakfast/Luncheons	73	16,249
Receptions	59	6,111
Banquets/Dinners	124	24,360
Trade shows	33	35,900
Wedding/Anniversary/ Funerals	16	2,205
Other	38	31,513

### THEATRE

CATEGORY	# OF EVENTS	ATTENDANCE
Children's	1	1,663
Regina Symphony Orchestra	14	12,470
Rock	9	9,881
Graduations	13	22,768
Ballet/Dance	19	19,774
Musicals	10	9,956
Comedy	7	13,071
Country	10	12,885
Other	33	23,477









Hospitals of Regina Gala



AT A GLANCE

## THEATRE



Patrons 125,945



Shows 116



Ticket Revenue 3,856,456



Facebook 16,501



Twitter 6,185



Instagram 2,162



Email Subscribers 23,071





AT A GLANCE

## CONVENTION & CATERING



Patrons 148,283






Events 602

- \* 30% of our total events were hosted by non-profit groups
- \* 90 of our total events focused on youth with attendance over 63,000



# Balanced Scorecard

## Goals

Financial	Gross Revenue Net Revenue	Gross: \$5,547,153 Net: \$7,960	
Customer	Guest Satisfaction Business Retention	85% Good to Excellent 80% Annual events Return	
Operations	Maintain Industry standards Cost of goods Produce & up-date 5 year capital Investment in assets & Facility	Recycling Initiative Cost of Goods % on target Carpet replacement project Electrical Services Review	
People	Employee Retention # of Safety & Risk Incidents Employee Training Labour Costs	Continue to implement Serve Right Program 2 Departmental Meetings Team Building Initiative	
Partnerships	Community Engagement Corporate Partnerships	Sponsorship Target \$182,000	
Sales & Marketing	New Business Brand Recognition, Social Media	Minimum of 2 new Community Events Social Media 18K on Facebook	



Brett Kissel

## APRIL 2017

Regina Symphony Orchestra  
Strauss Horn Concerto

Peppa Pig



Regina Mosaic 50th Gala

Peppa Pig

Oh What a Night

The Vagina Monologues

Jerry Dee



Fabulous Feet

Gerry Dee

Menopause the Musical

Candance—4 shows

Menopause the  
Musical





# MAY 2017

Regina Symphony Orchestra  
Time for Three

Charley Pride

Regina Symphony Orchestra  
Pictures at an Exhibition

Frank Mills

Dean Brody

Bill Burr—2 Shows

Youth Ballet of Saskatchewan—2 shows

Dance Dimensions—2 shows

Frank Mills



Dean Brody



Charley Pride





## JUNE 2017

Dance Plus—2 Shows

Saskatchewan Express

Darcy Oake

Dance City—2 Shows

Jazz Fest—3 Shows

Martin School of Dance—2 Shows

Serena Ryder

Darcy Oake



Serena Ryder



## AUGUST 2017

Ambassadors for Christ Ministries

Kd Lang

K.D. Lang



# SEPTEMBER 2017

Skillet

Skillet



Lewis Black

Daniel O'Donnell

Investors Group Comedy Night

Regina Symphony Orchestra  
Scheherazade

Chris Hadfield



Chris Hadfield

Gurdas Mann

Gurdas Mann



# OCTOBER 2017

Chris Collins/Boulder Canyon

Regina Symphony Orchestra  
Buffy Sainte Marie

Chris De Burgh

Foreigner

Just For Laughs—Sugar Sammy

Nitty Gritty Dirt Band

Regina Symphony Orchestra  
The Music of ABBA

Rocky Horror Show—3 Shows

Cultural Connections  
Tarangini

Regina Public Day of We

Regina Symphony Orchestra  
A Night of Beethoven

Chris De Burgh

Foreigner

Nitty Gritty Dirt  
Band





# NOVEMBER 2017

Jersey Boys—2 Shows

The Simon & Garfunkel Story

Just for Laughs

Moscow Ballet

Northern Pikes

Regina Symphony Orchestra  
Dvorak New World Symphony

Brit Floyd

Northern Pikes

Jersey Boys

Moscow Ballet





## DECEMBER 2017

Oh What a Night Christmas Show

The Tenors

Regina Catholic Schools Christmas Concert

Regina Symphony Orchestra  
Music of the Ice: Skating's Greatest Hits

Jann Arden

Wizard of Oz—2 Shows

Jann Arden

The Tenors

## JANUARY 2018

Regina Symphony Orchestra  
Brahms Symphony No. 2

Brett Kissel

Tre Twitty and Tayla Lynn

The Wizard of Oz



# FEBRUARY 2018

Old Dominion

Ice Breaker Cheerleading

Regina Symphony Orchestra  
Rachmaninoff & Ravel

Waskimo Winter Festival

Regina Symphony Orchestra  
Cirque de la Symphonie

Old Dominion



Waskimo



Ice Breaker  
Cheerleading



# MARCH 2018

Telemiracle

Regina Symphony Orchestra  
Requiem

Jim Cuddy

Stomp

Johnny Reid—2 Shows

Optimist Band Festival

Regina Symphony Orchestra  
South Pacific in Concert

Video Games Live

Johnny Reid

Jim Cuddy

Stomp





# MANAGING RISK

The Conexus Arts Centre is exposed to many different risks in its dual role as a self-financing theatre, convention and catering business, and as an agent of the crown supporting and promoting arts and culture in Saskatchewan.

Although the Conexus Arts Centre has a risk management policy the Board of Directors have included Risk Assessment as an area for review and updating. Risk Assessment has been identified in the Audit and Finance Committee terms of reference and the policy and framework will be re-assessed over the course of the next fiscal year to ensure that risk management continues to be a consideration in the development and execution of all plans and in its day to day operations. The Centre's Risk Policy and Framework will be enhanced and a risk matrix will be prepared to identify and rank all risk factors on the likelihood of occurrence and the severity of impact.





# PARTNERS AND STAKEHOLDERS



Wine in Wascana

## Every performance begins with you.

The Conexus Arts Centre caters to all ages, interests and cultural backgrounds. We are proud to strengthen our arts communities by providing facilities for local companies as well as provincial, national and international entertainment.

As a non-profit arts organization, the Centre relies on the generous support of individuals, corporations and foundations to meet operating costs and expenses. Involvement with the Conexus Arts Centre Patrons' program offers distinct benefits including first chance for tickets, networking opportunities, brand activation opportunities for a range of organizations and client entertaining opportunities, all which visibly support the arts. There are many other ways to make a gift to the CAC including cash gifts, gifts of appreciated securities, charitable lead trusts, legacies and matching gifts. The Centre's Director of Sales can assist you in structuring a plan that fits your own circumstances. If you would like more information about particular types of gifts or how they can be made, please call Bim Pandya at 306-565-4519.

**Through the generosity of the following patrons each year thousands of patrons have the opportunity to attend world-class performances in our magnificent theatre.** These organizations bolster the economy of the community we serve.

Conexus Credit Union

SaskTel

Pepsico Canada

Molson Canada

Dr. Jacqueline Shumiatcher

Western Litho Printers

Miller Thomson LLP

P3 Architecture

A-1 Rent Alls

DoubleTree by Hilton, Regina

Saskatchewan Blue Cross

Big Dog 92.7

Capital GMC Buick Cadillac

Saskatchewan Government Insurance

Willow Park Wine & Spirits

Success Office Systems

Captive Audience Advertising

Greystone Managed Investments

E & J Gallo Wines

Taylor Automotive Group

Prairie Dog Magazine

IKS Display Development

Best Western Seven Oaks Inn Regina

Corby Distilleries Ltd

Captive Audience

Canadian Linen

The Keg

Sleek Signs

Sysco

Phoenix Group

CJTR

Saskatchewan Milk

The Leader-Post

AON Reed Stenhouse Inc

# MANAGEMENT REPORT      MARCH 2018

The management of the Conexus Arts Centre is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. It is the responsibility of management to prepare financial statements in accordance with Canadian Public Sector Accounting standards.

The accounting systems used by the Conexus Arts Centre include an appropriate system of internal controls to provide reasonable assurance that:

- Transactions are authorized.
- The Conexus Arts Centre's assets are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other information.
- The accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information.
- The Conexus Arts Centre has complied with authorities.
- And that the Conexus Arts Centre operate in a fiscally responsible manner.

Management is responsible for providing reasonable assurance to the Board that the Conexus Arts Centre's financial information satisfies standards of validity and reliability. The Board reviews financial information prepared by management and discusses relevant matters with management. The Board of Directors exercises this responsibility through the Audit and Finance Committee, which is composed of Directors who are not employees of the corporation. The Audit and Finance Committee meets with management on a regular basis.

The Provincial Auditor of Saskatchewan has audited the Conexus Arts Centre's financial statements in accordance with Canadian generally accepted auditing standards. A copy of the Provincial Auditor's opinions on the financial statements is enclosed.

The financial statements have been examined and approved by the Board.

Neil Donnelly  
Chief Executive Officer

Pat Beanland  
Manager, Finance and Administration



**SASKATCHEWAN CENTRE OF THE ARTS**

**FINANCIAL STATEMENTS**

**For the Year Ended March 31, 2018**

## INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of Saskatchewan Centre of the Arts, which comprise the statement of financial position as at March 31, 2018, and the statement of operations and accumulated surplus, statement of change in net financial assets, and statement of 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 public sector accounting standards for Treasury Board's approval, 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.

### *Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Opinion*

In my opinion, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Centre of the Arts as at March 31, 2018, and the result of its operations and accumulated surplus, change in its net assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Regina, Saskatchewan  
June 29, 2018



Judy Ferguson, FCPA, FCA  
Provincial Auditor

**SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)**  
**STATEMENT OF FINANCIAL POSITION**  
**at March 31**

	<u>2018</u>	<u>2017</u>
<b>FINANCIAL ASSETS</b>		
Current:		
Cash and cash equivalents	\$ 1,586,384	\$ 1,704,601
Accounts receivable	426,981	301,910
Inventories held for resale	55,887	77,292
	<u>2,069,252</u>	<u>2,083,803</u>
<b>LIABILITIES</b>		
Current:		
Accounts payable and accrued charges	432,848	629,565
Advance sales and deposits	1,039,538	1,178,746
	<u>1,472,386</u>	<u>1,808,311</u>
<b>NET FINANCIAL ASSETS (Statement 3)</b>	<u>596,866</u>	<u>275,492</u>
<b>NON FINANCIAL ASSETS (Note 2)</b>		
Tangible Capital Assets (Note 4)	442,407	519,994
Inventories held for consumption	57,014	67,257
	<u>499,421</u>	<u>587,251</u>
<b>ACCUMULATED SURPLUS (Statement 2)</b>	<u>\$ 1,096,287</u>	<u>\$ 862,743</u>

(see accompanying notes to the financial statements)



**SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)**  
**STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**  
For the Year Ended March 31

		Budget 2018	Actual 2018	Actual 2017
		(Note 5)		
<b>REVENUES:</b>				
	Catering	\$ 2,905,407	\$ 3,020,459	\$ 3,103,403
	Theatre	2,156,500	2,362,807	2,226,387
	First Nations Summer Games	214,246	372,651	-
	Other (Schedule 1)	271,000	266,803	214,346
		<u>5,547,153</u>	<u>6,022,720</u>	<u>5,544,136</u>
<b>EXPENSES:</b>				
	(Schedule 2)			
	Catering	3,046,345	3,123,697	3,199,330
	Theatre	2,256,685	2,380,782	2,420,760
	First Nations Summer Games	178,635	225,198	-
	Other	57,628	59,499	34,828
		<u>5,539,293</u>	<u>5,789,176</u>	<u>5,654,918</u>
	Surplus (Deficit) for the Year	<u>7,860</u>	<u>233,544</u>	<u>(110,782)</u>
	Accumulated surplus - beginning of year		862,743	973,525
	Accumulated surplus - end of year (Statement 1)		<u>1,096,287</u>	<u>862,743</u>

(see accompanying notes to the financial statements)

**SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended March 31**

	Budget 2018 <u>(Note 5)</u>	Actual 2018 <u>                    </u>	Actual 2017 <u>                    </u>
Surplus (Deficit) for the year	\$ 7,860	\$ 233,544	\$ (110,782)
Amortization of property, plant and equipment	195,500	179,704	209,730
Acquisition of property, plant and equipment	<u>(200,000)</u>	<u>(102,117)</u>	<u>(83,902)</u>
	<u>(4,500)</u>	<u>77,587</u>	<u>125,828</u>
Changes in inventories held for consumption	<u>-</u>	<u>10,243</u>	<u>(11,537)</u>
Increase (Decrease) in net financial assets	<u>3,360</u>	<u>321,374</u>	<u>3,509</u>
Net financial assets, beginning of the year	<u>275,492</u>	<u>275,492</u>	<u>271,983</u>
Net financial assets, end of year (Statement 1)	<u>\$ 278,852</u>	<u>\$ 596,866</u>	<u>\$ 275,492</u>

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)  
STATEMENT OF CASH FLOWS  
For the Year Ended March 31

	Actual 2018	Actual 2017
	<u>                    </u>	<u>                    </u>
Cash flows provided by (used in) operating activities:		
Cash receipts from customers	\$ 5,763,477	\$ 6,106,004
Cash paid to suppliers and employees	(5,791,754)	(5,489,849)
Interest Income	12,177	8,146
	<u>                    </u>	<u>                    </u>
Cash flows provided by (used in) operating activities	(16,100)	624,301
	<u>                    </u>	<u>                    </u>
Cash flows (used in) capital activities		
Purchase of capital assets	(102,117)	(83,902)
	<u>                    </u>	<u>                    </u>
Net increase/(decrease) in cash	(118,217)	540,399
Cash & cash equivalents, beginning of year	1,704,601	1,164,202
	<u>                    </u>	<u>                    </u>
Cash & cash equivalents, end of year (Statement 1)	<u>\$ 1,586,384</u>	<u>\$ 1,704,601</u>

(see accompanying notes to the financial statements)



**SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**March 31, 2018**

**1. Status of Centre**

The Board of the Saskatchewan Centre of the Arts is continued under *The Saskatchewan Centre of the Arts Act, 2000*, to maintain, operate and manage the Saskatchewan Centre of the Arts in Regina. The Act also continued the Saskatchewan Centre of the Arts Fund through which all financial transactions are conducted which relate to accomplishing the purposes of the Act.

Effective January 1, 2006 Conexus Credit Union made a donation to the Saskatchewan Centre of the Arts in return for the naming rights of the building. The Saskatchewan Centre of the Arts building is now commonly called the Conexus Arts Centre.

**2. Significant Accounting Policies**

Pursuant to standards established by the Public Sector Accounting Board, the Conexus Arts Centre is classified as an “other government organization”. These financial statements are prepared in accordance with Canadian public sector accounting standards. These statements do not present a Statement of Remeasurement Gains and Losses as the Conexus Arts Centre has no remeasurement gains or losses.

The following accounting policies are considered to be significant:

a) Revenue recognition

Theatre revenue is recognized at the date of the performance and is recorded net of payments to promoters. Convention/Catering revenue is recognized at the date of the event.

b) Tangible capital assets

Tangible capital assets are recorded at cost. Amortization is provided for using the straight-line method over the expected useful life (ranges from 3 to 10 years) of the tangible capital asset, with a full year’s amortization taken in the year of acquisition.

Tangible capital assets are accounted for as non-financial assets by the Conexus Arts Centre because they can be used to provide services in future periods. These assets

do not normally provide resources to discharge the liabilities of the Conexus Arts Centre unless they are sold.

The Conexus Arts Centre has the following five major capital asset categories:

<u>Category</u>	<u>Amortization Period</u>
Convention & Theatre Equipment	3-10 Years
Catering Equipment	3-5 Years
Office Equipment	3 Years
Building Equipment	3-5 Years
Bar Equipment	3 Years

- c) Inventories held for resale and inventories held for consumption

Inventories consist of food which is held for consumption and liquor which is held for resale. Resale inventory is valued at the lower of cost and net realizable value. Inventory held for consumption is valued at cost.

- d) Use of estimates

These statements are prepared in conformity with Canadian public sector accounting standards. These standards require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Significant areas requiring the use of management estimates relates to the useful lives of assets for amortization periods.

- e) Financial Instruments

The Conexus Arts Centre's financial instruments are comprised of cash and cash equivalents, accounts receivable, accounts payable and accrued charges, and advance sales and deposits. The carrying value of these financial instruments approximates their fair values as at March 31 due to their immediate or short-term nature.

f) Cash and Cash Equivalents

The Conexus Arts Centre's cash and cash equivalents consisted of \$1,086,384 cash and a term deposit of \$500,000 which will mature on April 1, 2019 and has an annual interest rate of 1.2%.

g) New Accounting Standards

On April 1, 2017 the Conexus Arts Centre adopted the following new standards issued by the Chartered Professional Accountants of Canada:

- \* Related Party Disclosures (section 2200 - effective April 1, 2017)
- \* Assets (section 3210 - effective April 1, 2017)
- \* Contingent Assets (section 3320 - effective April 1, 2017)
- \* Contractual Rights (section 3380 - effective April 1, 2017)
- \* Inter-entity Transactions (section 3420 - effective April 1, 2017)

The adoption of these standards had no significant impact on the financial statements.

**3. Financial Instrument Risks**

The Conexus Arts Centre's financial risk relates primarily to credit risk from potential non-payment of accounts receivable. The maximum credit risk to which it is exposed at March 31, 2018 is limited to the carrying value of its accounts receivable. The allowance for doubtful accounts is \$0 (2017-\$0). Subsequent to the year-end, a significant amount of accounts receivable were collected reducing the credit risk. The Conexus Arts Centre's financial instruments do not have any significant interest rate risk or liquidity risk.



#### 4. Tangible Capital Assets

	Convention & Theatre Equipment	Catering Equipment	Office Equipment	Building Equipment	Bar Equipment	2018 Total	2017 Total
<b>Cost</b>							
Balance, beg of year	\$ 1,800,120	\$ 625,950	\$ 123,574	\$ 1,337,657	\$ 134,071	\$ 4,021,372	\$ 4,011,919
Additions	8,865	21,480	9,177	8,328	54,267	102,117	83,902
Disposals	-	-	(10,323)	-	(17,178)	(27,501)	(74,449)
<b>Balance, end of year</b>	<b>1,808,985</b>	<b>647,430</b>	<b>122,428</b>	<b>1,345,985</b>	<b>171,160</b>	<b>4,095,988</b>	<b>4,021,372</b>
<b>Accumulated Amortization</b>							
Balance, beg of year	\$ 1,415,822	\$ 572,013	\$ 107,037	\$ 1,272,435	\$ 134,071	\$ 3,501,378	\$ 3,366,097
Amortization expense	95,425	25,139	19,595	21,456	18,089	179,704	209,730
Disposals	-	-	(10,323)	-	(17,178)	(27,501)	(74,449)
<b>Balance, end of year</b>	<b>1,511,247</b>	<b>597,152</b>	<b>116,309</b>	<b>1,293,891</b>	<b>134,982</b>	<b>3,653,581</b>	<b>3,501,378</b>
<b>Net book value, end of year</b>	<b>\$ 297,738</b>	<b>\$ 50,278</b>	<b>\$ 6,119</b>	<b>\$ 52,094</b>	<b>\$ 36,178</b>	<b>\$ 442,407</b>	<b>\$ 519,994</b>

#### 5. Budget

These amounts represent the budget approved by the Conexus Arts Centre's Board of Directors on April 5, 2017.

#### 6. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Conexus Arts Centre by virtue of common control by the Government of Saskatchewan, as well as its executive management personnel and their close family members (collectively referred to as "related parties"). Additionally, the Conexus Arts Centre is related to organizations where they have key management personnel and/or their close family members in common.

The building and site have been leased from the Ministry of Central Services (CS) to the Conexus Arts Centre for an annual rental of five dollars. The terms of the lease require the Conexus Arts Centre to keep the building, and all other property contained therein, in good repair and condition with the provision that any major maintenance, renovations and construction project costing in excess of \$15,000 shall be the responsibility of CS. The current lease arrangement expires May 31, 2026.

Routine operating transactions with related parties are recorded at the agreed upon rates and are settled on normal trade terms. The following table summarizes the significant routine related party transactions for the year.

	<u>2018</u>	<u>2017</u>
Accounts receivable	\$ 33,699	\$ 11,856
Accounts payable & accrued charges	50,487	63,088
Revenues	810,099	703,218
Expenses		
Utilities	415,242	373,962
Administration	7,683	8,265
Salaries and benefits	268,960	208,078

Other transactions and amounts due to and from related parties are described separately in the financial statements and the notes thereto.

The Conexus Arts Centre collected and remitted Liquor Consumption Tax of \$57,602 (2017-\$71,059) to the Saskatchewan Ministry of Finance. In addition, the Conexus Arts Centre pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases and services. In 2018 the Conexus Arts Centre remitted PST of \$144,506 (2017 - \$16,181). Taxes paid on purchases are recorded as part of the cost of those purchases. Taxes paid on services provided are shown separately on invoices.

#### **7. Pension Plan**

The Conexus Arts Centre participates in a defined contribution pension plan for the benefit of its employees. The Conexus Arts Centre's financial obligation to the plan is limited to making regular payments of 5% of employees' salaries (and 7.5% of International Association of Theatrical and Stage Employees permanent employees' salaries) for current service. The Conexus Arts Centre's annual pension expense for 2018 was \$121,954 (2017-\$116,550) and is included in salaries and benefits expense.

#### **8. Comparative Figures**

Certain comparative figures have been reclassified to conform to the current year's presentation.

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)  
SCHEDULE OF OTHER INCOME  
For the Year ended March 31

	<u>2018</u>	<u>2017</u>
Office Rentals	\$ 44,753	\$ 44,261
Arts Board, ATM & Misc.	20,595	30,596
Sponsorships	189,278	131,343
Investment Income	<u>12,177</u>	<u>8,146</u>
Total Other Income	<u>\$ 266,803</u>	<u>\$ 214,346</u>



Schedule 2

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)  
 SCHEDULE OF EXPENSES  
 For the Year ended March 31

Expenses:	Catering	Theatre	First Nations Summer Games	Other	2018 Total	2017 Total
Administration	\$ 471,889	\$ 369,143	\$ 58,220	\$ 41,683	\$ 940,935	\$ 900,816
Beverage Costs	127,618	60,900	-	-	188,518	220,010
Building Expense	386,462	606,417	-	17,816	1,010,695	950,551
Event Expenses	231,705	171,159	-	-	402,864	424,168
Food Costs	351,233	15,336	84,818	-	451,387	438,556
Salaries & Benefits	1,529,787	1,075,156	82,160	-	2,687,103	2,559,366
Misc.	25,003	82,671	-	-	107,674	161,451
Total Expenses	\$ 3,123,697	\$ 2,380,782	\$ 225,198	\$ 59,499	\$ 5,789,176	\$ 5,654,918



# WHERE TO OBTAIN ADDITIONAL INFORMATION

If you have any questions or comments about The Conexus Arts Centre Balanced Statement, or if you have specific questions about the programs and services provided by The Conexus Arts Centre please contact:

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Regina, Saskatchewan  
S4S 7L3

[www.conexusartscentre.ca](http://www.conexusartscentre.ca)

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