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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-ninth Annual Report on the activities of the Centre for the period from April 1, 2018 to March 31, 2019.

Respectfully submitted,

A handwritten signature in black ink that reads "Ken Cheveldayoff". The signature is written in a cursive, flowing style.

Ken Cheveldayoff  
Minister Responsible  
For Central Services  
Minister Responsible  
For the Conexus Arts Centre

# MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Minister:

The Conexus Arts Centre is pleased to submit the 2018-19 Annual Report. This has been an exceptional fiscal year for the Centre with events to attract a broad and diverse audience. 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 reaching all audience genres - including live theatre with Chicago the Musical, Kinky Boots, Comedic icon Carol Burnett, the Glorious Sons, the Tenors, Paul Brandt, the Wiggles, PJ Masks, Cirque Musica Theatre, and a fabulous season with the Regina Symphony Orchestra just to name a few.

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 is the focus of the Board of Directors. Through strategic planning and supporting the solid foundation that the Centre has in place we are also expanding the lines of business with the creation of a new and extremely successful outdoor summer festival 'Shake the Lake'. Additionally events such as the International Whisky Show and the Wine in Wascana show are growing.

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 2019-20.

In accordance with Section 27(1) of The Saskatchewan Centre of the Arts Act, 2000, I hereby submit the forty-ninth Annual Report on the activities of the Centre for the period April 1, 2018 to March 31, 2019.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Hopson'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jim Hopson,



# BOARD OF DIRECTORS

THE HONOURABLE  
KEN CHEVELDAYOFF  
MINISTER RESPONSIBLE

## CURRENT BOARD OF DIRECTORS

JIM HOPSON—CHAIR  
NANCY CHERNEY—VICE CHAIR  
ROGER BRANDVOLD  
BRUCE EVANS  
TWYLA MACDOUGALL  
JOSH MACFADDEN  
TWYLA MEREDITH  
DAVE PETTIGREW  
MARLA PRESTON  
MARY TAYLOR ASH



Great Russian Ballet

## Committees of the Board of Directors:

### Audit and Finance Committee

Twyla MacDougall—Chair

Josh MacFadden

Twyla Meredith

Mary Taylor Ash

### Governance Committee

Roger Brandvold-Chair

Nancy Cherney

Bruce Evans

Dave Pettigrew

Marla Preston

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

# CHIEF EXECUTIVE OFFICER

I am pleased to report on many highlights that occurred at the Centre over the past year. Although we face many economic and operational challenges, we are happy to report growth and improvements in most facets of our business.



An increasingly low Canadian dollar makes attracting relevant, international artists difficult however the Conexus Arts Centre still managed to host a variety of events the entire community could enjoy. From rock to country, classical to dance, comedy to Broadway the event calendar in our theatre was filled with standing ovations and glowing reviews.

In 2018-2019 we continued our strategy of working closely with key entertainment industry leaders to find creative ways to host more events. In the past 12 months our team self-promoted or co-promoted 17 concerts that would not have performed in Regina without those relationships. We are working to harvest those relationships to further our goals.

The highlight for 2018 was the newly created and extremely successful Shake the Lake Musical Festival, which took place on our front lawn August 31 and Sept 1. Headlined by Trooper and Cheap Trick, Shake the Lake drew nearly 4000 fans per day and proved to be a very positive venture for the Centre.

The Centre also took over the operation of the cafeteria and catering services at the Saskatchewan Legislative Building on January 1, 2019. Our goal is that the Centre Café will positively augment our kitchen and catering operation at the Centre.

The Centre is entering our 49<sup>th</sup> year of operation. I would be remiss without acknowledging our partner and Landlord, Ministry of Central Services. Although significant future investments are required we are very much appreciative of the recent work that has been done and is on-going to ensure our facility is of the standard expected by our guests. In 2018 a major electrical refurbishment was completed and in 2019 we are slated for upgrades to our elevators and exit doors.

We must also thank and acknowledge our sponsors for their support, most specifically Conexus Credit Union. Our theatre sound and lighting systems, mainly original to the facility (nearly 50 years old), were in dire need of replacement. Our sponsors responded in our time of need and



in the 4<sup>th</sup> quarter we installed a new state of the art sound and lighting system that will benefit our clients for many years to come. This will not only bring our theatre to today's technological standards, but is also far more energy efficient and environmentally friendly.

Finally, and most importantly, I want to acknowledge the hard work of our staff and management team. It is our goal to host as many events as possible and to create memorable experiences. We do this day in and day out and it is part of what makes our community so great.

Respectfully submitted,



Neil Donnelly  
Chief Executive Officer



## Conexus Arts Centre Organizational Structure

Minister Responsible

Board of Directors

Chief Executive Officer  
Neil Donnelly

Director of Finance/  
Administration  
Pat McLaughlin

Director of Sales  
Bim Pandya

Events Director  
Lynn Severt

Hospitality Services  
Manager  
Colette Perras

Theatre Services  
Manager  
Shari Tourscher

Executive Chef  
Leo Pantel





# 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.

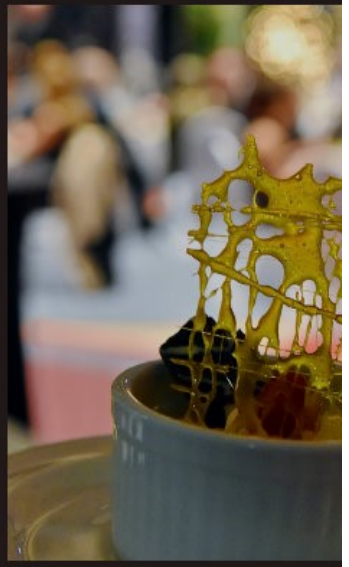
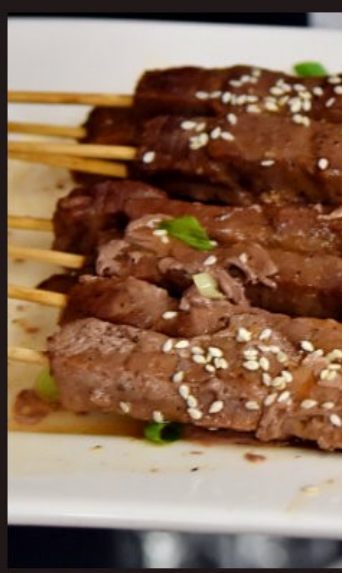
To identify and utilize industry best practices to accomplish the strategic plan and establish a sustainable foundation for the future.

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.







# 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

### Convention/Catering:

Hosted 485 events with attendance of 127,095 clients.

| CATEGORY                         | # OF EVENTS | ATTENDANCE |
|----------------------------------|-------------|------------|
| Meetings                         | 156         | 26,193     |
| Seminars/Conferences             | 4           | 1,558      |
| Breakfast/Luncheons              | 49          | 4,419      |
| Receptions                       | 100         | 15,555     |
| Banquets/Dinners                 | 118         | 25,561     |
| Trade shows                      | 37          | 47,526     |
| Wedding/Anniversary/<br>Funerals | 14          | 3,093      |
| Other                            | 7           | 3,190      |
| <b><u>THEATRE</u></b>            |             |            |
| CATEGORY                         | # OF EVENTS | ATTENDANCE |
| Children's                       | 9           | 11,320     |
| Regina Symphony Orchestra        | 15          | 17,729     |
| Rock                             | 11          | 11,658     |
| Graduations                      | 14          | 23,494     |
| Ballet/Dance                     | 21          | 20,469     |
| Musicals                         | 7           | 13,394     |
| Comedy                           | 4           | 6,014      |
| Country                          | 4           | 5,121      |
| Other                            | 8           | 10,918     |

### Theatre:

Featured 93 performances with attendance of 120,117 patrons.

We are proud to have hosted such a wide and versatile array of events and performances in 2018/19.

*George Thorogood*





# APRIL 2018

Regina Symphony Orchestra  
Link up Orchestra Rocks -  
2 Shows

Regina Symphony Orchestra  
Tchaikovsky & Mozart

2 Cellos

Comedy in Motion  
Bob Cates

Four by Four

The Illusionists

Peppa Pig

Vince Neil

Candance—4 shows



*RSO Tchaikovsky*



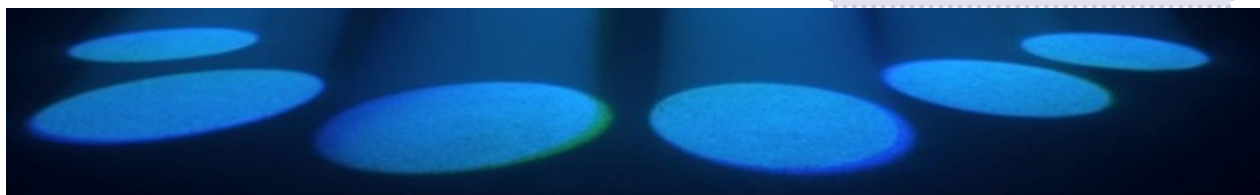
*2 Cellos*



*Bob Cates*



*The Illusionists*



# MAY 2018

Regina Symphony Orchestra  
City Lights by Charlie Chaplin

George Thorogood

Regina Symphony Orchestra  
West Side Story

Jimmy Carr

Papa Roach

Robb Nash Program

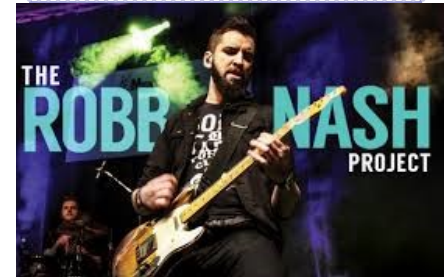
Dirty Dancing

Youth Ballet of Saskatchewan—2 shows

Dance Dimensions—2 shows



*George Thorogood*



*Robb Nash Project*



*Papa Roach*



*Dirty Dancing*





# JUNE 2018

Dance Plus—2 Shows

Celtic Woman

University of Regina Convocation  
3 Days

Martin School of Dance—2 Shows

Dance City—2 Shows

Saskatchewan Polytechnic Convocation

Thom Collegiate Graduation

Winston Knoll Collegiate Graduation

Campbell Collegiate Graduation

Dr. Martin Leboldus High School Graduation

Miller Comprehensive High School Graduation

Archbishop M.C.. O'Neil High School Graduation

Greenall High School Graduation



*Celtic Woman*



*Dance Schools*



*University of Regina*



*Miller High School*



## JULY 2018

Jim Jeffries

Just for Laughs David Cross

## AUGUST 2018

A conversation with Dr. Jordon Peterson

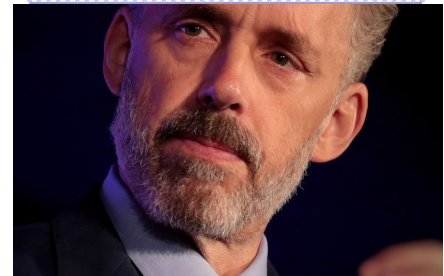
Shake the Lake Festival



*David Cross*



*Jim Jeffries*



*Dr. Jordon Peterson*



*Shake the Lake*





# SEPTEMBER 2018

Regina Symphony Orchestra  
Opening Night with Tracy Dahl

Carol Burnett

Chicago



*Carol Burnett*



*RSO Opening Night*



*Chicago*



*Chicago*



# OCTOBER 2018

Regina Symphony Orchestra  
Classical Mystery Tour

Wiggles— 2 Shows

Colter Wall

Dance Me

Passion 2 Action

University of Regina Convocation

Regina Symphony Orchestra  
Tchaikovsky Swan Lake

Rocky Horror Show—3 Shows



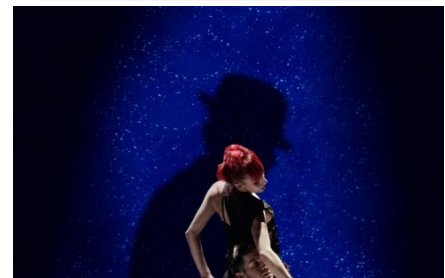
*Wiggles*



*Colter Wall*



*Rocky Horror*



*Dance Me*





# NOVEMBER 2018

Regina Symphony Orchestra  
Mozart Requiem

Charley Pride

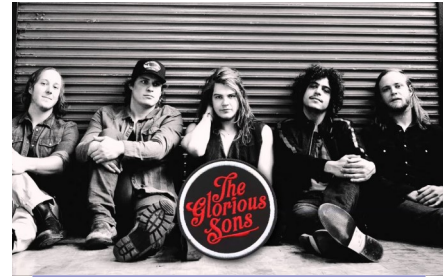
Chicago—The Musical  
2 Shows

Glorious Sons

Moscow Ballet—Swan Lake

Canada's Ballet Jorgen Nutcracker

Charlie Brown Christmas



*Glorious Sons*



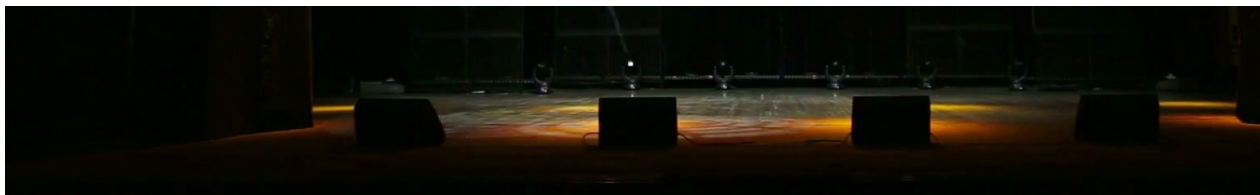
*Moscow Ballet*



*Chicago*



*Charley Pride*



## DECEMBER 2018

The Tenors

Regina Catholic Schools  
Christmas Concert

Regina Symphony Orchestra  
Chantal Kreviazuk

Cirque Musica Theatre

LetterKenny

Three Days Grace



*Cirque Musica*



*LetterKenny*

## JANUARY 2019

Regina Symphony Orchestra  
Mendelssohn Scottish Symphony

Cinderella  
2 Shows

Legends of Motown

PJ Masks

Robb Nash Project  
2 Performances

Frozen in Time

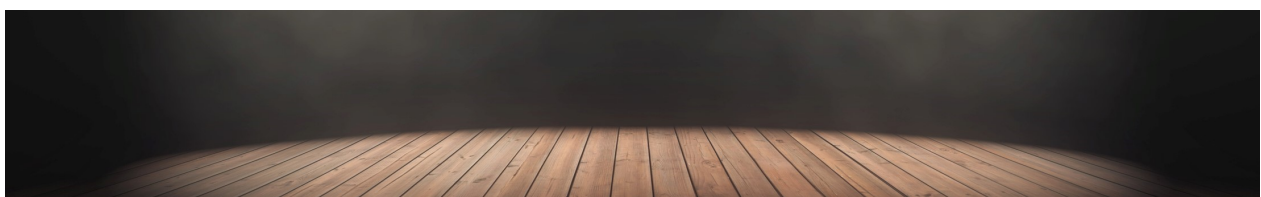
Behind Enemy Lines



*Cinderella*



*PJ Masks*



# FEBRUARY 2019

Ice Breaker Cheerleading

Regina Symphony Orchestra  
Elgar Cello Concerto

Home Free

Waskimo Winter Festival

Paul Brandt

Regina Symphony Orchestra  
Frank Sinatra



*Home Free*



*Paul Brandt*



*RSO Frank Sinatra*



*RSO Elgar Cello*





# MARCH 2019

Regina Symphony Orchestra  
Beethoven Symphony No 6

Optimist Band Festival

Il Divo

Kinky Boots  
2 Shows

Marianas Trench

Mini Pop Kids

Pink Floyd Experience

Shakey Graves

Tech N9ne

Regina Symphony Orchestra  
Music of John Williams



*Il Divo*



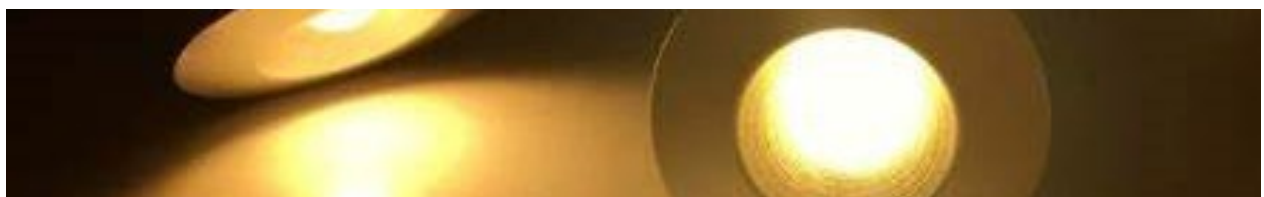
*Kinky Boots*



*Mini Pop Kids*



*Marianas Trench*





Hospitals of Regina Gala

## 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.

There is an enhanced policy and framework in place including a risk matrix identifying all organizational risks, both strategic and operational. The Centre's risk assessment and the policy and framework will continue to be re-assessed at each quarterly Board of Directors meeting. From these assessments risk management continues to be a consideration in the development and execution of all plans and in its day to day operations.





# PARTNERS AND STAKEHOLDERS



# 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            | Capital GMC Buick Cadillac        | Pepsico Canada                     |
| Molson Canada                   | Dr. Jacqueline Shumiatcher        | SaskTel                            |
| Miller Thomson LLP              | P3 Architecture                   | A-1 Rent Alls                      |
| DoubleTree by Hilton, Regina    | Saskatchewan Blue Cross           | Big Dog 92.7                       |
| Western Litho Printers          | Saskatchewan Government Insurance | Willow Park Wine & Spirits         |
| Success Office Systems          | Captive Audience Advertising      | Greystone Managed Investments      |
| E & J Gallo Wines               | Prairie Dog Magazine              | City TV                            |
| Corby Distilleries Ltd          | Canadian Linen                    | The Keg                            |
| Sleek Signs                     | Sysco                             | CJTR                               |
| Saskatchewan Milk               | The Leader-Post                   | AON Reed Stenhouse Inc             |
| Delta Hotels by Marriott Regina | JLB Electric                      | Bradbury Brand & Design<br>Experts |

# MANAGEMENT REPORT      MARCH 2019

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  
June 2019



Pat McLaughlin  
Director of Finance and Administration  
June 2019



SASKATCHEWAN CENTRE OF THE ARTS

FINANCIAL STATEMENTS

For the Year Ended March 31, 2019



PROVINCIAL AUDITOR  
of Saskatchewan

## INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

### Opinion

We have audited the financial statements of the Saskatchewan Centre of the Arts, which comprise the statement of financial position as at March 31, 2019, and the statement of operations and accumulated surplus, statement of changes in net financial assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Saskatchewan Centre of the Arts as at March 31, 2019, 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.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Saskatchewan Centre of the Arts in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or any knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Saskatchewan Centre of the Arts' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Saskatchewan Centre of the Arts or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Saskatchewan Centre of the Arts' financial reporting process.

1500 Chateau Tower - 1920 Broad Street Regina, Saskatchewan S4P 3V2  
t 306.787.6398 f 306.787.6383 e info@auditor.sk.ca  
www.auditor.sk.ca



**PROVINCIAL AUDITOR**  
*of Saskatchewan*

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Saskatchewan Centre of the Arts' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Saskatchewan Centre of the Arts' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Saskatchewan Centre of the Arts to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

Regina, Saskatchewan  
June 20, 2019

Judy Ferguson, FCPA, FCA  
Provincial Auditor  
Office of the Provincial Auditor



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

|                                      | <u>2019</u>         | <u>2018</u>         |
|--------------------------------------|---------------------|---------------------|
| FINANCIAL ASSETS                     |                     |                     |
| Current:                             |                     |                     |
| Cash and cash equivalents            | \$ 2,289,640        | \$ 1,586,384        |
| Accounts receivable                  | 310,651             | 426,981             |
| Inventories held for resale          | 50,746              | 55,887              |
|                                      | <u>2,651,037</u>    | <u>2,069,252</u>    |
| LIABILITIES                          |                     |                     |
| Current                              |                     |                     |
| Accounts payable and accrued charges | 709,715             | 432,848             |
| Advance sales and deposits           | 1,107,793           | 1,039,538           |
|                                      | <u>1,817,508</u>    | <u>1,472,386</u>    |
| NET FINANCIAL ASSETS (Statement 3)   | <u>833,529</u>      | <u>596,866</u>      |
| NON FINANCIAL ASSETS (Note 2)        |                     |                     |
| Tangible Capital Assets (Note 4)     | 922,188             | 442,407             |
| Inventories held for consumption     | 64,344              | 57,014              |
|                                      | <u>986,532</u>      | <u>499,421</u>      |
| ACCUMULATED SURPLUS (Statement 2)    | <u>\$ 1,820,061</u> | <u>\$ 1,096,287</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<br>2019<br><u>(Note 5)</u> | Actual<br>2019<br><u></u> | Actual<br>2018<br><u></u> |
|---|-----------------------------------|---------------------------|---------------------------|
| <b>REVENUES:</b>                                |                                   |                           |                           |
| Catering  | \$ 3,070,800                      | \$ 2,846,453              | \$ 3,020,459              |
| Theatre   | 2,207,500                         | 2,529,042                 | 2,362,807                 |
| Special Event (Note 8)                          | -                                 | 797,171                   | 372,651                   |
| Other (Schedule 1)                              | <u>278,000</u>                    | <u>1,069,042</u>          | <u>266,803</u>            |
|   | <u>5,556,300</u>                  | <u>7,241,708</u>          | <u>6,022,720</u>          |
| <b>EXPENSES: (Schedule 2)</b>                   |                                   |                           |                           |
| Catering  | 3,250,927                         | 3,126,144                 | 3,123,697                 |
| Theatre   | 2,244,936                         | 2,507,604                 | 2,380,782                 |
| Special Event                                   | -                                 | 725,924                   | 225,198                   |
| Other   | <u>59,687</u>                     | <u>158,262</u>            | <u>59,499</u>             |
|   | <u>5,555,550</u>                  | <u>6,517,934</u>          | <u>5,789,176</u>          |
| Surplus for the Year                            | <u>750</u>                        | <u>723,774</u>            | <u>233,544</u>            |
| Accumulated surplus - beginning of year         |                                   | 1,096,287                 | 862,743                   |
| Accumulated surplus - end of year (Statement 1) |                                   | <u>1,820,061</u>          | <u>1,096,287</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<br>2019<br><u>(Note 5)</u> | Actual<br>2019<br><u>                    </u> | Actual<br>2018<br><u>                    </u> |
|---|-----------------------------------|---|---|
| Surplus for the year                            | \$ 750                            | \$ 723,774                                    | \$ 233,544                                    |
| Amortization of property, plant and equipment   | 195,500                           | 323,961                                       | 179,704                                       |
| Acquisition of property, plant and equipment    | <u>(200,000)</u>                  | <u>(803,742)</u>                              | <u>(102,117)</u>                              |
|   | <u>(4,500)</u>                    | <u>(479,781)</u>                              | <u>77,587</u>                                 |
| Changes in inventories held for consumption     | <u>-</u>                          | <u>(7,330)</u>                                | <u>10,243</u>                                 |
| Increase (Decrease) in net financial assets     | <u>(3,750)</u>                    | <u>236,663</u>                                | <u>321,374</u>                                |
| Net financial assets, beginning of the year     | <u>596,866</u>                    | <u>596,866</u>                                | <u>275,492</u>                                |
| Net financial assets, end of year (Statement 1) | <u>\$ 593,116</u>                 | <u>\$ 833,529</u>                             | <u>\$ 596,866</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<br>2019              | Actual<br>2018              |
|--|-----------------------------|-----------------------------|
|  | <u>                    </u> | <u>                    </u> |
| Cash flows provided by (used in) operating activities: |                             |                             |
| Cash receipts from customers                           | \$ 7,408,341                | \$ 5,763,477                |
| Cash paid to suppliers and employees                   | (5,919,295)                 | (5,791,754)                 |
| Interest Income  | 17,952                      | 12,177                      |
|  | <u>                    </u> | <u>                    </u> |
| Cash flows provided by (used in) operating activities  | 1,506,998                   | (16,100)                    |
|  | <u>                    </u> | <u>                    </u> |
| Cash flows (used in) capital activities                |                             |                             |
| Purchase of capital assets                             | (803,742)                   | (102,117)                   |
|  | <u>                    </u> | <u>                    </u> |
| Net increase/(decrease) in cash                        | 703,256                     | (118,217)                   |
| Cash & cash equivalents, beginning of year             | 1,586,384                   | 1,704,601                   |
|  | <u>                    </u> | <u>                    </u> |
| Cash & cash equivalents, end of year (Statement 1)     | <u>\$ 2,289,640</u>         | <u>\$ 1,586,384</u>         |

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)  
NOTES TO THE FINANCIAL STATEMENTS  
March 31, 2019

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 \$1,289,640 cash and term deposits of \$1,000,000 (a 500,000 term which will mature on April 1, 2019 and has an annual interest rate of 1.2%, and a 500,000 term which will mature on February 8, 2020 and has an annual interest rate of 2.3%)



### 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, 2019 is limited to the carrying value of its accounts receivable. The allowance for doubtful accounts is \$0 (2018-\$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 &<br>Theatre<br>Equipment | Catering<br>Equipment | Office<br>Equipment | Building<br>Equipment | Bar Equipment    | 2019<br>Total     | 2018<br>Total     |
|------------------------------------|--------------------------------------|-----------------------|---------------------|-----------------------|------------------|-------------------|-------------------|
| <b>Cost</b>                        |                                      |                       |                     |                       |                  |                   |                   |
| Balance, beg of year               | \$ 1,672,865                         | \$ 647,430            | \$ 122,428          | \$ 1,482,105          | \$ 171,160       | \$ 4,095,988      | \$ 4,021,372      |
| Additions                          | 48,954                               | -                     | -                   | 754,788               | -                | 803,742           | 102,117           |
| Disposals                          | (40,428)                             | -                     | -                   | (166,164)             | -                | (206,592)         | (27,501)          |
| <b>Balance, end of year</b>        | <b>1,681,391</b>                     | <b>647,430</b>        | <b>122,428</b>      | <b>2,070,729</b>      | <b>171,160</b>   | <b>4,693,138</b>  | <b>4,095,988</b>  |
| <b>Accumulated Amortization</b>    |                                      |                       |                     |                       |                  |                   |                   |
| Balance, beg of year               | \$1,381,037                          | \$ 597,152            | \$ 116,309          | \$ 1,424,101          | \$ 134,982       | \$ 3,653,581      | \$ 3,501,378      |
| Amortization expense               | 102,304                              | 25,139                | 3,060               | 175,369               | 18,089           | 323,961           | 179,704           |
| Disposals                          | (40,428)                             | -                     | -                   | (166,164)             | -                | (206,592)         | (27,501)          |
| <b>Balance, end of year</b>        | <b>1,442,913</b>                     | <b>622,291</b>        | <b>119,369</b>      | <b>1,433,306</b>      | <b>153,071</b>   | <b>3,770,950</b>  | <b>3,653,581</b>  |
| <b>Net book value, end of year</b> | <b>\$ 238,478</b>                    | <b>\$ 25,139</b>      | <b>\$ 3,059</b>     | <b>\$ 637,423</b>     | <b>\$ 18,089</b> | <b>\$ 922,188</b> | <b>\$ 442,407</b> |

### 5. Budget

These amounts represent the budget approved by the Conexus Arts Centre's Board of Directors on March 13, 2018.

### 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>2019</u> | <u>2018</u> |
|------------------------------------|-------------|-------------|
| Accounts receivable                | \$ 37,713   | \$ 7,053    |
| Accounts payable & accrued charges | 56,946      | 50,487      |
| Revenues                           | 700,968     | 581,527     |
| Expenses                           |             |             |
| Utilities                          | 430,112     | 415,242     |
| Administration                     | 7,295       | 7,683       |
| Salaries and benefits              | 260,895     | 268,960     |

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 \$71,430 (2018-\$57,602) 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 2019 the Conexus Arts Centre remitted PST of \$119,528 (2018-\$144,506). 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 2019 was \$120,758 (2018-\$121,954) 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.

It should be noted that the Special Event line item may vary from year to year dependant on the event included. For the 2017-18 fiscal year, the First Nations Aboriginal Games was identified as a special event. For the 2018-19 fiscal year, the Shake the Lake Festival was identified as a special event.



## Schedule 1

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

|                          | <u>2019</u>        | <u>2018</u>       |
|--------------------------|--------------------|-------------------|
| Office Rentals           | \$ 44,753          | \$ 44,753         |
| Arts Boards, ATM & Misc. | 21,715             | 20,595            |
| Sponsorships/Donations   | 984,622            | 189,278           |
| Investment Income        | <u>17,952</u>      | <u>12,177</u>     |
| Total Other Income:      | <u>\$1,069,042</u> | <u>\$ 266,803</u> |

## Schedule 2

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

| Expenses:           |                     |                     |                   |                   | 2019                | 2018                |
|---------------------|---------------------|---------------------|-------------------|-------------------|---------------------|---------------------|
|                     | Catering            | Theatre             | Special Event     | Other             | Total               | Total               |
| Administration      | \$ 374,218          | \$ 332,488          | \$ 104,803        | \$ 140,545        | \$ 952,054          | \$ 940,935          |
| Beverage Costs      | 114,220             | 76,431              | -                 | -                 | 190,651             | 188,518             |
| Building Expense    | 442,404             | 690,181             | -                 | 17,717            | 1,150,302           | 1,010,695           |
| Event Expenses      | 181,674             | 111,159             | 587,181           | -                 | 880,014             | 402,864             |
| Food Costs          | 396,029             | 16,645              | -                 | -                 | 412,674             | 451,387             |
| Salaries & Benefits | 1,594,435           | 1,150,480           | 33,940            | -                 | 2,778,855           | 2,687,103           |
| Misc.               | 23,164              | 130,220             | -                 | -                 | 153,384             | 107,674             |
| Total Expenses      | <u>\$ 3,126,144</u> | <u>\$ 2,507,604</u> | <u>\$ 725,924</u> | <u>\$ 158,262</u> | <u>\$ 6,517,934</u> | <u>\$ 5,789,176</u> |

# 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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