

SASKATCHEWAN COUNCIL FOR ARCHIVES AND ARCHIVISTS INC.

FINANCIAL STATEMENTS

MARCH 31, 2017

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Members of
Saskatchewan Council for Archives and Archivists Inc.

Management has responsibility for preparing the accompanying financial statements and ensuring that all information on any related reports is consistent with the financial statements. This responsibility includes selecting appropriate accounting policies and making objective judgements and estimates in accordance with Canadian accounting standards for not-for-profit organizations.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary system of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded, and proper records maintained.

Ultimate responsibility for financial statements to members lies with the Board of Directors.

Independent auditors appointed by the members audit the financial statements. The independent auditors report directly to the members and their report follows. The independent auditors have full and free access to the Board and management to discuss their audit findings as to the integrity of the organization's financial reporting and the adequacy of the system of internal controls.

President

Treasurer

June 13, 2017
Regina, Saskatchewan

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Saskatchewan Council for Archives and Archivists Inc.

I have audited the accompanying financial statements of Saskatchewan Council for Archives and Archivists Inc., which comprise the statement of financial position as at March 31, 2017, and the statement of operation and cumulative surplus and cash flow statement 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.

Auditor's Responsibility

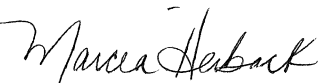
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance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

In my opinion the financial statements present fairly, in all material respects, the financial position of Saskatchewan Council for Archives and Archivists Inc. as at March 31, 2017 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Regina, Saskatchewan
June 13, 2017


Marcia Herback
CPA, CA

SASKATCHEWAN COUNCIL FOR ARCHIVES AND ARCHIVISTS INC.
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2017
(with comparative figures for 2016)

	2017	2016
ASSETS		
Current assets		
Cash and cash equivalents (Note 3)	\$ 134,977	\$ 60,764
GST receivable	<u>1,026</u>	<u>1,560</u>
	<u>\$ 136,003</u>	<u>\$ 62,324</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 2,502	\$ 19,783
Deferred revenue	<u>92,515</u>	<u>3,585</u>
	95,017	23,368
NET ASSETS		
Unrestricted funds	<u>40,986</u>	<u>38,956</u>
	<u>\$ 136,003</u>	<u>\$ 62,324</u>

See accompanying notes

Approved on Behalf of the Executive Committee

_____ Director

_____ Director

SASKATCHEWAN COUNCIL FOR ARCHIVES AND ARCHIVISTS INC.
STATEMENT OF OPERATIONS AND NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2017
(with comparative figures for 2016)

	2017	2016
Revenue		
Membership fees	\$ 5,620	\$ 3,885
Workshop registration fees	3,150	1,480
Donations	475	860
Grants and contributions:		
- Saskatchewan Lotteries Trust Fund	187,000	177,191
- Library and Archives Canada	-	40,800
Interest and other income	<u>238</u>	<u>205</u>
	<u>196,483</u>	<u>224,421</u>
Expenses		
Association Management Contract	<u>35,740</u>	<u>34,038</u>
General Administration		
Accounting and legal	3,120	2,530
Advertising and promotion/planning	40	7,758
Annual general meeting	1,222	816
Bank charges	214	125
GST and miscellaneous	1,747	1,692
Insurance	-	100
Membership	574	574
Office supplies, courier and postage	799	765
Printing and photocopying	343	1,095
Rent	3,819	3,744
Telephone	<u>1,457</u>	<u>1,663</u>
	<u>13,335</u>	<u>20,862</u>
Travel and Meetings		
Executive and committees	1,458	1,691
Executive director	27	249
Video conferencing	<u>-</u>	<u>131</u>
	<u>1,485</u>	<u>2,071</u>
Programs and Projects		
Archives week and public awareness (Schedule 1)	4,764	4,130
SAIN Migration	2,610	-
Professional Development (Schedule 1)	7,741	4,261
Archives Advisor	65,446	59,249
Conference sponsorship	-	500
Short films	-	40,000
Institution funding	51,385	52,826
IT Support	<u>11,947</u>	<u>6,221</u>
	<u>143,893</u>	<u>167,187</u>
	<u>194,453</u>	<u>224,158</u>
Excess of revenues over expenses (deficiency)	2,030	263
Net assets, beginning of year	<u>38,956</u>	<u>38,693</u>
Net assets, end of year	<u>\$ 40,986</u>	<u>\$ 38,956</u>

See accompanying notes

MARCIA HERBACK
Chartered Accountant
Professional Corporation

SASKATCHEWAN COUNCIL FOR ARCHIVES AND ARCHIVISTS INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2017
(with comparative figures for 2016)

	2017	2016
Operating activities		
Excess of revenues over expenses (deficit)	\$ 2,030	\$ 263
Net change in non-cash operating working capital balances		
Accounts receivable	-	330
GST receivable	534	(231)
Accounts payable and accrued liabilities	(17,281)	11,280
Deferred revenue	<u>88,930</u>	<u>(82,415)</u>
Increase (decrease) in cash	74,213	(70,773)
Cash position, beginning of year	<u>60,764</u>	<u>131,537</u>
Cash position, end of year	<u>\$ 134,977</u>	<u>\$ 60,764</u>

See accompanying notes

SASKATCHEWAN COUNCIL FOR ARCHIVES AND ARCHIVISTS INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2017

1. Status and nature of activities

Saskatchewan Council for Archives and Archivists Inc. is a non-profit organization funded primarily by governmental and other grants providing archival education, consultation and grant adjudication services for its members and coordinating the ongoing development of the archival system in Saskatchewan.

The organization was incorporated under the Non-profit Corporations Act, 1995 of Saskatchewan on January 29, 2001.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Revenue recognition

Saskatchewan Council for Archives and Archivists Inc. follows the deferral method of accounting for grants. Grants are recognized as revenue in the year in which the related expenses are incurred. Membership fees are recognized as revenue in the year that they relate to. Donations are recognized as revenue when they are received.

Tangible Capital Assets

Tangible capital assets are recorded as an expense in the year of purchase.

Fund accounting

The accounts of the organization are maintained in accordance with principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined in the General fund (unrestricted). The general fund reflects the primary operation of the organization. The revenues consist of membership fees, grants and donations. The grants are used to provide a specific service. Expenses are for administration activities and for the delivery of specific services.

Financial instruments

The Saskatchewan Council for Archives and Archivists Inc. initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable.

3. Cash and cash equivalents

Included in cash and cash equivalents is \$17,351 (2016 - \$17,179) held in a Royal Bank GIC earning interest at 0.5% (2016 - 1.0%).

4. Deferred revenue

The following receipts have been deferred and will be recognized as revenue in the year the related program or event occurs.

	<u>2017</u>	<u>2016</u>
Sask Culture	\$ 89,500	\$ -
Membership fees	<u>3,015</u>	<u>3,585</u>
	<u>\$ 92,515</u>	<u>\$ 3,585</u>

5. Economic dependence

The organization is dependent upon the ongoing grant funding from the Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation and the Government of Canada and its agencies.

SASKATCHEWAN COUNCIL FOR ARCHIVES AND ARCHIVISTS INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2017

6. Financial instruments

Saskatchewan Council for Archives and Archivists Inc. is exposed to various risks through its financial instruments. The following analysis provides a measure of the Saskatchewan Council for Archives and Archivists Inc.'s exposure and concentrations at March 31, 2017:

Credit risk

Credit risk arises from the potential that a party may default on their financial obligations, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Organization could incur a financial loss. The Organization is exposed to credit risk with respect to cash and accounts receivable. The Organization manages its credit risk by placing cash with major financial institutions. Credit risk for accounts receivable is managed by the credit quality and diverse debtor base and creating an allowance for bad debts where applicable. There has been no change from credit risk exposure from 2016.

Liquidity risk

Liquidity risk is the risk that the Organization may not be able to meet a demand for cash or fund its obligations as they come due or not being able to liquidate assets in a timely manner at a reasonable price. The Organization is exposed to liquidity risk with respect to its accounts payable but manages its liquidity risk by holding assets that can be readily converted into cash. There has been no change from liquidity risk exposure from 2016.

Interest rate risk

Interest rate risk is a type of market risk that refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The Organization is exposed to interest rate risk with respect to its cash and cash equivalents and its effect on interest income. Fluctuations in interest rates do not have a significant effect on cash due to the fact that interest income is not a major percentage of total revenue. There has been no change from interest risk exposure from 2016.

7. Comparative figures

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

SASKATCHEWAN COUNCIL FOR ARCHIVES AND ARCHIVISTS INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017
(with comparative figures for 2016)

	Schedule 1	
	<u>2017</u>	<u>2016</u>
Archives week and public awareness		
Advertising and media	\$ 666	\$ 640
Events - promotion	2,522	2,405
Events - other costs	854	375
Sask Youth Heritage Fairs	250	250
Other AW and public awareness	472	460
	<u>\$ 4,764</u>	<u>\$ 4,130</u>
Professional development		
Facilities rental	\$ 453	\$ 145
Instructor	1,500	2,600
Instructor travel and expense	1,910	206
Other PD costs	-	50
Travel subsidies general	1,629	1,260
Travel subsidies SCAA events	2,249	-
	<u>\$ 7,741</u>	<u>\$ 4,261</u>