

**SASKCULTURE INC.**  
**ANALYSIS OF SASKCULTURE FINANCIAL CONDITION**  
**FOR THE FISCAL YEAR ENDED MARCH 31, 2023**

The SaskCulture Board of Directors met with MNP on May 12, 2023 to review and approve the audited financial statements for the fiscal period of April 1, 2022 to March 31, 2023. These statements are attached and will be presented to the SaskCulture membership for approval at the Annual General Meeting on June 16, 2023.

SaskCulture's management is responsible for preparing the financial statements, selecting appropriate accounting policies and methods, and ensuring internal control systems provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are maintained in accordance with Canadian accounting standards for not-for-profit organizations. The financial audit was conducted by the independent auditing firm, MNP, and was conducted in accordance with Canadian generally accepted auditing standards. MNP has rendered their expert opinion that the financial statements present fairly, in all material respects, the financial position of SaskCulture as at March 31, 2023.

*Statement of Financial Position, page 1*

**Total assets** are primarily comprised of cash, short-term investments, intangible and capital assets. There is one **Accounts receivable** at year-end of \$23,527 that has already been received.

**Intangible assets** include the Online Granting Platform (OGP) and **Capital assets** include computer equipment and software, office equipment, and a customized website. Total assets are up from last year primarily due to a higher cash balance at the end of the year. There is a decrease in year-end **Accounts Payable and Accruals**. Since all Trust funds must be spent as allocated by the Board, the total unused and due to the Sask Lotteries Trust Fund (Culture Section) for current and prior year grant returns and adjustments is \$790,604. Holdbacks payable are grant funds allocated but not yet paid. They fluctuate year over year depending on the timing of grant payments and receipt of follow-up reports from grant recipients. Net Revenue for the year has increased **Net Assets** to \$1,449,979.

*Statement of Operations, page 2*

Total **Revenue** was up about 12% to \$8.7 million, compared to \$7.7 million last year. In addition to grants received from the Sask Lotteries Trust Fund for Sport, Culture and Recreation, SaskCulture received a contribution from the Northern District for Sport, Culture and Recreation to support the Creative Kids Northern Cultural Fund, and funds to support a tri-level marketing campaign.

**Self-generated** revenue was derived primarily from membership dues, interest on cash and investment accounts, the sale of Lifecycles books, and the delivery of one IDI workshop. A jump in bank interest rates resulted in significantly higher interest revenue.

Overall expenses are up slightly from last year mainly due to the hiring of additional staff. Some meetings continued virtually, but there was an increase in travel and in-person meetings.

SaskCulture's **programs and services** continued to be delivered and its **communications and marketing** continued to share impact stories via multiple channels, increasing awareness and promoting the importance of cultural activity to peoples' lives. During 2022/23, SaskCulture employed one part-time and eighteen full-time positions.

**Program Initiatives** expenses (see Note 8 on page 8) includes funding to seven grant programs delivered by SaskCulture, six additional grant programs delivered in partnership with SK Arts, a provincial grant to Creative Kids Canada Inc., support to Communities of Interest in the areas of arts, Indigenous, and heritage (see Schedule 1 on page 10), and support of cultural organizations through Global Functions (see Schedule 2 on page 11).

**Culture Days and Creative Kids** continue to be focused initiatives in 2022/23. **Culture Days Delivery** expenses include the marketing and promotion of Culture Days in Saskatchewan and Hub Sponsorships, which supported multi-partner cultural activities in 20 different communities. In its 12<sup>th</sup> year, Culture Days took place from September 23 to October 16, 2022, offering opportunities for people to experience free, interactive, hands-on cultural activities and learn more about the cultural life in their communities. It is estimated that approximately 41,000 Saskatchewan people participated in Culture Days in 2022, taking part in one or more of the 259 activities offered throughout the province. As part of its commitment to Truth and Reconciliation (TRC), SaskCulture prioritized TRC events and activities planned for September 30<sup>th</sup> (National Day for Truth and Reconciliation), or the days leading up, as part of the Culture Days Hub Sponsorship.

**Creative Kids Operations** includes all operational expenses required to promote and administer the program, including support to seven community-based volunteer committees located throughout the province, one provincial adjudication committee, and the management of fundraising initiatives and charitable activities. The Creative Kids program continued to support youth and cultural workers in 2022/23 and Trust funds allocated to support Creative Kids operations make it possible for 100% of donations to be dispersed directly to helping kids in our communities. In 2022, Creative Kids funded 1,231 kids with over \$587,863. Fundraising initiatives continued to focus on foundation grants, corporate support and promoting online fundraising initiatives; and one in-person event, India Night, was held in Regina in October. Still, there was a shortfall of over \$135,000 in funds and 237 applications from Saskatchewan families were denied support. Since 2010, Creative Kids has funded 12,890 kids in 251 Saskatchewan communities and granted over \$5.97 million dollars while supporting 546 cultural workers across the province (please refer to the 2022 Creative Kids Progress Report for more details on the program's 12<sup>th</sup> year). These charitable funds are processed through the Creative Kids Canada Inc. charity and are not reflected in SaskCulture's financial statements.

SaskCulture, along with its partners SK Arts, Creative Saskatchewan and the Ministry of Parks, Culture and Sport, recognized the importance of reminding residents that artists and cultural workers needed their support. They came together to develop the #FindtheFunSK campaign, a **Tri-Level Initiative** which ran from May to October 2022, to support the cultural sector as it attempted to bounce back from the impact of the COVID-19 pandemic.

**The Northern Youth Cultural Fund** is a unique program funding initiative that aims to provide cultural/creative funding to northern Saskatchewan communities, and support cultural and creative activities for children and youth in areas where opportunities do not fit the Creative Kids funding model. SaskCulture's partnership with the Northern Sport, Culture and Recreation District to assist in the promotion, support and delivery of this fund resulted in \$82,463 to cultural initiatives for children and youth living in the Northern District for Sport, Culture and Recreation. Having only \$80,000 available to grant, the NSCRD contributed the extra \$2,463 needed to fund all the applications.

For 2022/23, SaskCulture's revenue exceeded expenses, realizing **Net Income** of \$88,213.

Statement of Changes in Net Assets, page 3

As of March 31, 2023, SaskCulture retained \$254,775 invested in capital and intangible assets. Unrestricted net assets remain at a healthy \$1,195,204, with total net assets over \$1.44 million.

Statement of Cash Flows, page 4

This chart reconciles cash from the beginning to the end of the year. In 2022/23, there was an overall increase of cash resources of \$54,845 leaving cash resources and short-term investments at \$2,895,837.

Notes to the Financial Statements and Schedules, pages 5-12

The **Notes to the Financial Statements** are consistent with past years. There have been no changes to accounting policies; Note 5 reconciles the amortization of capital assets; Note 6 breaks down the operational grants from Sask Lotteries Trust Fund; Note 8 reconciles Trust funds to program allocations and summarizes the amounts due back to the Culture Section of the Trust; and Note 10 is a charity requirement since Creative Kids Canada Inc. is a related entity that shares the same Board of Directors.

The **Schedules** on pages 10-11 provide additional information for the allocation of funding to **Communities of Interest** and **Global Functions**.

In pursuit of its vision of a culturally vibrant Saskatchewan, SaskCulture has two broad ends – SaskCulture exists so the cultural ecosystem in Saskatchewan is accessible, inclusive and sustainable; and people in Saskatchewan actively value, support and participate in culture. The 2022/23 financial allocations and spending reflect priorities designed to move these Ends forward, ensure ongoing sustainability through capital management, and focus on initiatives that align with SaskCulture's 2020-2025 Strategic Plan that aspires to have: a funding model that is sustainable and adaptive to changing needs in order to support relevant cultural programming and activities in Saskatchewan; and cultural programs, activities and experiences that are more inclusive, diverse, equitable and accessible.