

Organization of Saskatchewan Arts Councils
Financial Statements
July 31, 2025

To the Members of Organization of Saskatchewan Arts Councils:

Opinion

We have audited the financial statements of Organization of Saskatchewan Arts Councils (the "Organization"), which comprise the statement of financial position as at July 31, 2025, and the statements of operations, changes in net assets and 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 Organization as at July 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Organization 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Organization's 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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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 Organization's 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 Organization's 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 Organization 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 that we identify during our audit.

Regina, Saskatchewan

September 22, 2025

MNP LLP

Chartered Professional Accountants

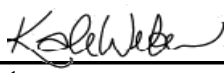
Organization of Saskatchewan Arts Councils

Statement of Financial Position


As at July 31, 2025

	2025	2024
Assets		
Current		
Cash	464,553	566,764
Cash held in trust (Note 13)	1,248	-
Accounts receivable	9,191	8,882
Marketable securities (Note 3)	301,082	192,439
Prepaid expenses and deposits (Note 4)	8,252	5,767
	784,326	773,852
Capital assets (Note 5)	4,456	3,691
	788,782	777,543
Liabilities		
Current		
Accounts payable and accruals	52,042	41,139
Unearned revenue (Note 6)	24,159	20,978
	76,201	62,117
Net Assets		
Invested in capital assets	4,456	3,691
Unrestricted	82,566	86,176
Internally restricted for catastrophic artist cancellation	50,000	50,000
Internally restricted for emergency wind down	525,559	525,559
Internally restricted for a creation of a Diversity Advisory Committee	50,000	50,000
	712,581	715,426
	788,782	777,543

Approved on behalf of the Board



 Director



 Director

Organization of Saskatchewan Arts Councils

Statement of Operations

For the year ended July 31, 2025

	2025	2024
Revenue		
Grant revenue		
Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation	724,000	724,000
Grants from Government of Canada - Canadian Heritage	57,500	55,000
	781,500	779,000
Self generated		
Performing artist fees	648,964	690,731
Conference	74,332	63,310
Investment income	28,686	37,096
Finders/booking fees	23,375	18,862
Visual arts exhibition fees	12,640	11,350
Membership Fees	10,180	10,590
Donations	6,810	2,293
Miscellaneous (Note 13)	2,345	2,840
Publicity materials	3,065	3,190
Fundraising	806	2,018
	811,203	842,280
Total revenue	1,592,703	1,621,280
Administration		
Personnel	474,081	483,091
Office	95,683	94,957
Amortization	2,421	2,563
	572,185	580,611
Travel and meetings	57,932	48,650
Corporate business	14,041	14,496
Communications	6,267	4,521
Programs/services		
Performing Arts	710,296	752,198
Showcase	124,773	99,031
Visual Arts	97,740	97,845
Volunteer leadership development	8,295	5,992
Special project administration	4,019	3,095
	945,123	958,161
Total expenses	1,595,548	1,606,439
(Deficiency) excess of revenue over expenses	(2,845)	14,841

The accompanying notes are an integral part of these financial statements

Organization of Saskatchewan Arts Councils

Statement of Changes in Net Assets

For the year ended July 31, 2025

	<i>Invested in capital assets</i>	<i>Unrestricted</i>	<i>Internally restricted for catastrophic artist cancellation</i>	<i>Internally restricted for emergency wind down</i>	<i>Internally restricted for a creation of a Diversity Advisory Committee</i>	<i>2025</i>	<i>2024</i>
Net assets, beginning of year	3,691	86,176	50,000	525,559	50,000	715,426	700,585
(Deficiency) excess of revenue over expenses	-	(2,845)	-	-	-	(2,845)	14,841
Amortization expense	(2,421)	2,421	-	-	-	-	-
Purchase of capital assets	3,186	(3,186)	-	-	-	-	-
Reserve expenditures	-	800	-	-	(800)	-	-
Transfers between reserves	-	(800)	-	-	800	-	-
Net assets, end of year	4,456	82,566	50,000	525,559	50,000	712,581	715,426

The accompanying notes are an integral part of these financial statements

Organization of Saskatchewan Arts Councils

Statement of Cash Flows

For the year ended July 31, 2025

	2025	2024
Cash provided by (used for) the following activities		
Operating		
(Deficiency) excess of revenue over expenses	(2,845)	14,841
Amortization	2,421	2,563
	(424)	17,404
Changes in working capital accounts		
Accounts receivable	(309)	(3,436)
Prepaid expenses and deposits	(2,485)	(2,738)
Accounts payable and accruals	10,903	1,226
Unearned revenue	3,181	5,375
	10,866	17,831
Investing		
Purchase of marketable securities	(135,000)	(136,864)
Proceeds on disposal of marketable securities	26,357	129,000
Purchase of capital assets	(3,186)	(2,547)
	(111,829)	(10,411)
(Decrease) increase in cash resources	(100,963)	7,420
Cash resources, beginning of year	566,764	559,344
Cash resources, end of year	465,801	566,764
Cash resources are composed of:		
Cash	464,553	566,764
Cash held in trust	1,248	-
	465,801	566,764

The accompanying notes are an integral part of these financial statements

Organization of Saskatchewan Arts Councils

Notes to the Financial Statements

For the year ended July 31, 2025

1. Purpose of the organization

Organization of Saskatchewan Arts Councils (OSAC) (the "Organization") is a centralized administrative agency for the various community arts councils and school centres throughout the province. It negotiates contracts with performers and charges the arts councils and school centres on a per show basis for the performances they host. OSAC also hosts visual arts provincial adjudication and tours exhibitions around the province. Yearly activities include the Showcase Conference. OSAC is registered as a Charitable Foundation with Canada Revenue Agency and is exempt from income tax.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Marketable securities

Marketable securities are measured at cost less impairment.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives. No amortization is taken in the year of disposal. Gains or losses on the disposal of individual assets are recognized in income in the year of disposal. It is expected that these procedures will charge operations with the total cost of the assets over the useful lives of the assets.

	Rate
Office equipment	5 years

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future periods could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Self generated revenue is recognized as revenue in the same period that goods are delivered or services are supplied.

Contributed materials

Contributions of materials are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Organization's operations and would otherwise have been purchased.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures all financial assets and liabilities at amortized cost.

Transaction costs and financing fees directly are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments; etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

Organization of Saskatchewan Arts Councils

Notes to the Financial Statements

For the year ended July 31, 2025

3. Marketable securities

	2025	2024
Fixed income		
Home Trust Company GIC due November 19, 2025, maturity yield 4.15%	100,000	-
Concentra Bank GIC due May 28, 2026, maturity yield 3.79%	100,000	-
Equitable Bank GIC due May 28, 2026, maturity yield 3.79%	42,000	-
Manulife Strategic Income Fund	3,775	3,648
Pimco Monthly Income Fund	5,009	4,694
Bank of Montreal GIC due May 23, 2025, maturity yield 5.35%	-	100,000
Bank of Montreal Mortgage Corp GIC due May 23, 2025, maturity yield 5.35%	-	35,000
	250,784	143,342
Equities		
BMO Low Volatility Canadian Equity	19,543	19,065
BMO Low Volatility US Equity	18,755	18,098
Capital Group Global Equity	12,000	11,934
	50,298	49,097
	301,082	192,439

4. Prepaid expenses and deposits

	2025	2024
Prepaid other	4,180	2,709
Prepaid showcase	4,072	3,058
	8,252	5,767

5. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2025 Net book value</i>	<i>2024 Net book value</i>
Office equipment	30,847	26,391	4,456	3,691

6. Unearned revenue

Unearned revenue consists of \$10,400 (2024 - \$7,900) relating to showcase sponsorship revenue, \$5,997 (2024 - \$5,201) for prepaid registration fees, \$5,869 (2024 - \$5,967) for showcase application fees, \$983 (2024 - \$1,910) for showcase advertising fees, and \$910 (2024 - \$nil) for school tour fees.

7. Operating line of credit

The Organization has an approved operating line of credit with a limit of \$50,000 (2024 - \$50,000), bearing interest at prime + 1.25%, of which \$nil (2024 - \$nil) has been drawn.

Organization of Saskatchewan Arts Councils

Notes to the Financial Statements

For the year ended July 31, 2025

8. Internally restricted net assets

OSAC 's Board of Directors internally restricted the following net assets to be held for:

Catastrophic artist cancellation

In 2014, OSAC established a catastrophic artist cancellation reserve for the purpose of compensating an Arts Council in the event of catastrophic artist cancellation. These internally restricted amounts are not available for unrestricted purposes without the approval of the board of directors. The board approved a transfer to the reserves of \$nil in 2025 (2024 - \$nil).

Emergency wind down

In 2014, OSAC established an emergency wind down reserve to be used in the event of cessation of operations of OSAC as an organization. These internally restricted amounts are not available for unrestricted purposes without the approval of the board of directors.

Creation of a Diversity Advisory Committee

On September 18, 2022, OSAC established the Creation of a Diversity Advisory Committee reserve. This reserve will fund the expenditures incurred by the Advisory Committee in carrying out its mandate, such as travel, meeting space, honorariums, etc. These internally restricted amounts are not available for unrestricted purposes without the approval of the board of directors. The board has approved expenditures from the reserve of \$800 (2024 - \$1,808) and a transfer to the reserve of \$800 in 2025 (2024 - \$1,808).

9. Commitments

The Organization has entered into various office and equipment lease agreements with estimated minimum annual payments as follows:

2026	69,710
2027	65,360
2028	19,092
	<hr/>
	154,162

10. Economic dependence

The Organization receives a substantial amount of its revenue, 49% (2024 - 45%), in the form of grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation, applied for through SaskCulture. These grants must be applied for every third year.

11. Employee future benefits

OSAC has made contributions of \$28,891 (2024 - \$29,133) to a defined contribution benefit plan. These contributions are expensed as incurred.

12. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Organization of Saskatchewan Arts Councils

Notes to the Financial Statements

For the year ended July 31, 2025

13. I Want to Showcase

In April 2022, OSAC took over administration duties of I Want To Showcase, an internet portal used by agents and managers to apply for Showcase conferences, that is operated as a co-op by a consortium of network partners across Canada and the U.S. This decision was made to ensure the continued success of the platform and was based on the capacity that OSAC has. OSAC is responsible for the invoicing of the partners and payments made to the developer based on decisions made by the partners. OSAC earns an administration fee of \$85 per partner annually. All monies are held in trust of the partners. Fees collected from the partners totalling \$2,345 (2024 - \$2,840) are included in miscellaneous revenue and expenses totalling \$4,019 (2024 - \$3,095) are included in special project administration expenses.