

Annual Report

Surviving Covid



2021/2022



TABLE OF CONTENTS

Letter of Transmittal	3
Letter Transmittal - Board Chair	4
Board of Directors	5
Chief Executive Officer	6
Mission and Goals	7
Organizational Chart	8
Catering/Convention/Theatre	9
Entertaining Southern Saskatchewan	10
Every Performance Begins with You	18
Event Sponsors and Partners	19
Management Report	20
Financial Statements	21
Independent Auditor's Report	
Additional Information	38



MESSAGE FROM THE MINISTER RESPONSIBLE

The Honourable Don McMorris
Minister of Government
Relations
Minister Responsible for the
Provincial Capital Commission



Office of the Lieutenant Governor of Saskatchewan

I respectfully submit the Annual Report for the Conexus
Art Centre for the fiscal year ending March 31, 2022

Don McMorris
Minister of Government Relations and
Minister Responsible for the
Provincial Capital Commission



MESSAGE FROM THE CHAIR

Dear Minister McMorris:

The Conexus Arts Centre is pleased to submit its 2021-22 Annual Report. For a second consecutive year the COVID-19 pandemic delivered a devastating blow to venues like ours. While the pandemic restricted many of our normal activities and operations, management and staff devised creative ways to engage patrons and provide some sense of normalcy in an otherwise very turbulent marketplace.

Our patrons had the opportunity to celebrate Mother's Day with a gourmet takeout brunch, graduation takeout meals, smaller weddings and funerals and a few live performances including our own Regina Symphony Orchestra returned to our stage in a restricted manner. Our staff created an outdoor event strategy that blossomed into a celebration like no other at the Brandt Community Stage with seven weeks of outdoor concerts on our front lawns. Here thousands of visitors got to experience live entertainment for the first time in two years as we celebrated and thanked frontline workers with free admission to several events. In addition, we hosted a street hockey festival – Hockeyfest. The summer culminated with the return of Shake the Lake featuring legendary Canadian classic rock artists Tom Cochrane and Red Rider, Five Man Electrical Band, Toronto, Headpins, Honeymoon Suite and Streetheart.

By creating and presenting events the Centre continues to prove itself as Southern Saskatchewan's premier facility for performing arts, and an essential institution in catering and convention services.

Sincere gratitude is extended to the Government of Saskatchewan, sponsors, clients and staff, their enduring support helped us navigate extreme challenges and focus on re-opening, post-pandemic.

On behalf of the Board of Directors, I thank the Conexus Arts Centre team for their dedication. We look forward to a complete return to creating many memorable moments in 2022-23.

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, 2021 to March 31, 2022.

Sincerely,



Dave Pettigrew, Chair



BOARD OF DIRECTORS

THE HONOURABLE
DON MCMORRIS
MINISTER RESPONSIBLE



CURRENT BOARD OF DIRECTORS

Dave Pettigrew – Chair
Bruce Evans
Charlene Gavel
Twyla MacDougall
Josh MacFadden
Jeff MacPherson
Dan McMurtry
Hiedi Pearson
Jonathan Potts
Jeff Stusek
Ben Tingly

COMMITTEES OF THE BOARD OF DIRECTORS

AUDIT & FINANCE

Twyla MacDougall – Chair
Charlene Gavel
Jeff MacPherson
Dave Pettigrew
Jonathan Potts
Jeff Stusek

GOVERNANCE

Josh MacFadden
Bruce Evans
Dan McMurtry
Hiedi Pearson
Dave Pettigrew
Ben Tingly



CHIEF EXECUTIVE OFFICER



To say that I am proud of our team and our facility is definitely an understatement. Once again, the Covid-19 pandemic caused significant disruption to the entire entertainment industry. Capacity restrictions, travel restrictions, mask requirements, vaccine passports, canceled events, and constantly changing regulations were just a few of the issues that impacted the daily routines of those in this business; making it nearly impossible to plan and host events when regulations allowed us to do so. However, this did not stop our team from trying!

With most of our workforce at home or on layoff – our management team was motivated to get our people back to work! While indoor gathering was likely not to resume to any significant degree, a strategy was put in place to host events outdoors. With sponsorship support from Brandt Group of Companies as well as Tourism Sask, Tourism Regina and the City of Regina our team devised a plan to successfully host seven weeks of shows ranging from a comedy night featuring Big Daddy Tazz to Serena Ryder, a modified version of the Regina Folk Festival, country stars Dean Brody, George Canyon and Aaron Pritchett, and many others culminating with the anticipated return of our annual summer music festival Shake the Lake. Our summer events provided opportunity for our event staff to return to the business they love and do what they do best!

In addition to having our staff return, over the course of 11 events we welcomed thousands of visitors including 3500 frontline workers who were provided complimentary admission, courtesy of Brandt, as a gesture of our thanks for the hard work and dedication to our safety throughout the pandemic.

With our facilities closed to the public for several months this year, many major renovation projects occurred including new elevators, a new cooling system and the installment of smoke and fire dampers throughout the ventilation system to name a few. I would like to thank our partner and Landlord, the Ministry of Sask Builds. It is truly a joint effort to ensure this facility is kept in top shape and preserved for generations to come.

We must also thank and acknowledge our sponsors and donors for their support. We are pleased to welcome our newest sponsor Capital Auto Group as the title sponsor of our main theatre – the Capital Auto Theatre. We offer our deepest condolences on the passing of their owner and founder Bruce Axelson. His support of the Centre is an example of the legacy of community support he leaves behind.

Finally, and most importantly, I want to acknowledge our staff and management team. It has been extremely challenging for them. We cannot do what we do without them.

Respectfully submitted,

Neil Donnelly, Chief Operating Officer

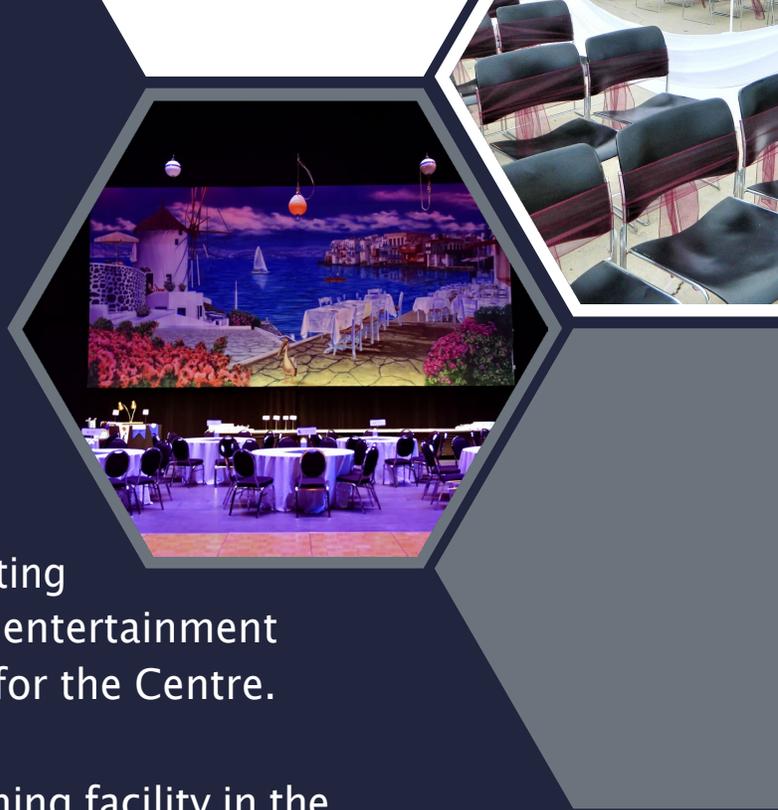
MISSION, VISION & GOALS

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

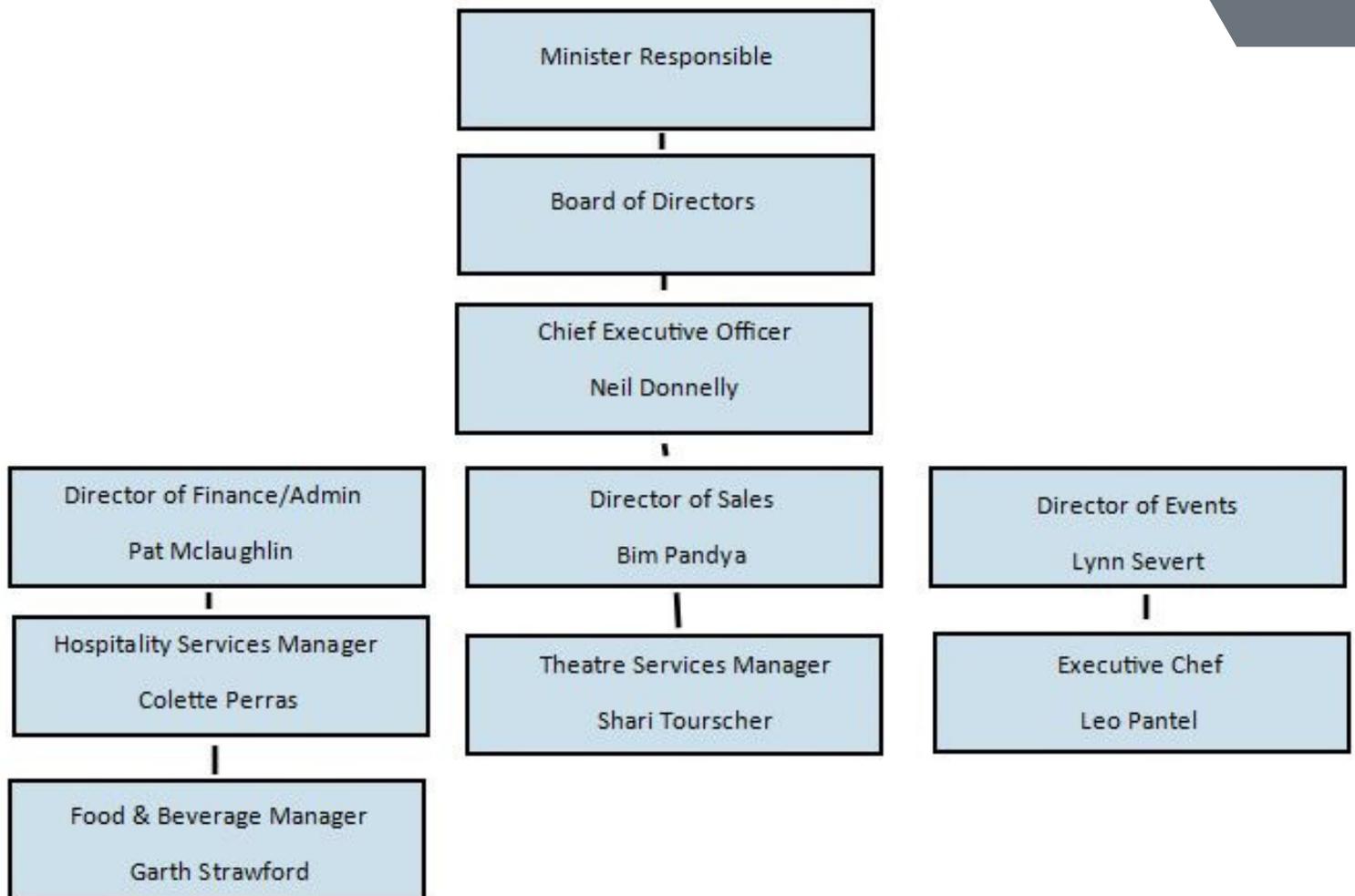
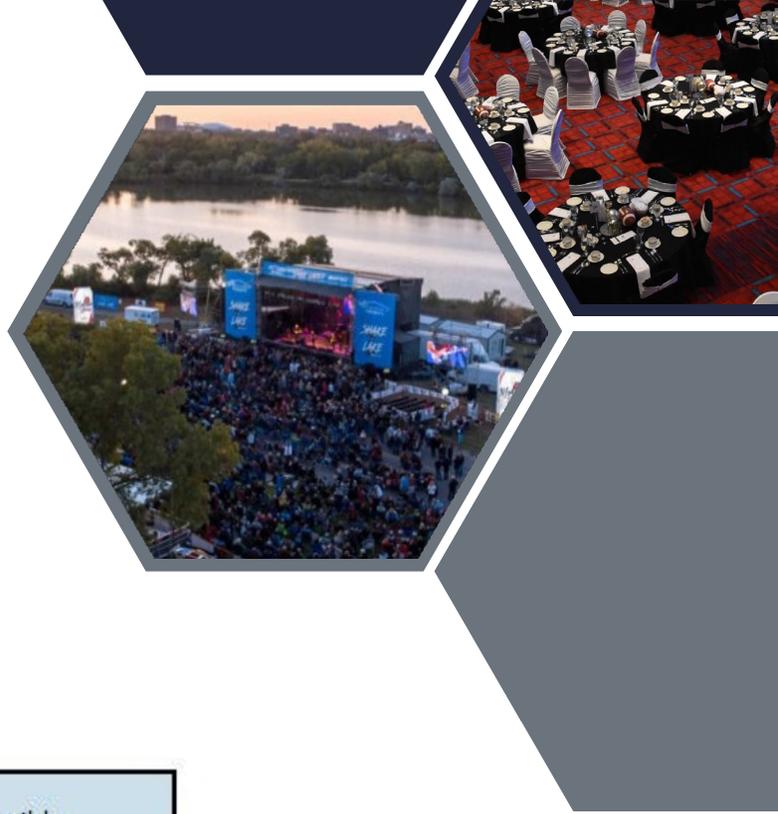
VISION STATEMENT: To be a self-sustaining facility in the community showcasing local, national, and international entertainment, convention and catering events that delivers outstanding guest experiences.

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.



CONEXUS ARTS CENTRE ORGANIZATIONAL STRUCTURE



CATERING CONVENTION & THEATRE



The fiscal year 2021-22 was another difficult year with many challenges due to Covid-19. Our inability to welcome visitors to our facility has been felt most directly by our employees and meeting planners who would typically be working together to provide support to our customers. The Centre has always taken great pride in the stability of our workforce, having over the years lower staff turnover rates than the hospitality industry in general. Having the industry come to an almost complete halt when the Covid -19 virus-related restrictions tightened the Centre was forced to lay-off over 300 employees. We have begun to bring back as many employees as possible we are experiencing a longer-term impact on our workforce. We continue to take steps to mitigate such impacts and will continue to do so during 2022-23. The pandemic touched all in the industry and the Centre worked with our clients to rebook events that had been cancelled as well as assisting clients with creation of new events.

In both the theatre and the catering/convention areas we are ensuring that we remain competitive and paying close attention to opportunities to book shows and events.

CAPITAL IMPROVEMENTS:

Taking advantage of the pandemic down time, several maintenance and upgrade projects were completed. These included completely upgraded elevators, fire and smoke dampers installed to the ventilation system in many areas of the facility, a new cooling tower was installed, the front ramp was paved, painting took place in several areas including Convention Hall and Lobby, the upper mezzanine lobbies, backstage dressing rooms as well as several meeting rooms, fluorescent and pot lights were replaced on main east and west, carpet was replaced in the stairwells of the Shumiatcher Room and Convention Hall, the front facing customer service stations at the box office were updated, the irrigation system on the front lawn of Centre was replaced, new A/V equipment was purchased and installed throughout the Centre, washroom fixtures were all replaced back stage, ceiling and wall outside admin offices were replaced and painted, dressing rooms 1 through 6 outfitted with new plumbing, carpet and painting, upholstery replaced in front of bar in Convention Hall Lobby, removed asbestos tile from loading dock floor and refinished with a sealed concrete finish. These projects were completed, for the most part, in partnership with Sask Builds.

ENTERTAINING FEEDING & MEETING SOUTHERN SASKATCHEWAN

APRIL 2021

Meetings (2)

MAY 2021

Mother's Day Takeout



JUNE 2021

Grad Takeout Meals

Miller Grad

Campbell Grad

ENTERTAINING FEEDING & MEETING SOUTHERN SASKATCHEWAN



JULY 2021

Personal Events (weddings/funerals) (4)

HockeyFest

Brandt Community Stage (July 7 to August 11)

Jack Semple with the Regina Symphony Orchestra

Laughs on the Lake

George Canyon

Aaron Pritchett

Serena Ryder

Jeffery Straker

Rory Allen

Shania Twin

Dean Brody



ENTERTAINING FEEDING & MEETING SOUTHERN SASKATCHEWAN



AUGUST 2021

Folk Festival—Community Stage

Personal Event (1)

Brandt PRESENTS
SHAKE THE LAKE
OUTDOOR MUSIC FESTIVAL 2021

TOM COCHRANE
WITH RED RIDER

SUITE 101

FIVE MAN ELECTRICAL BAND

Toronto

STREETHEART

HEADPINS

THURSDAY
GATES 4:30 PM
AUGUST 12
WASCANA PARK

Brandt
COMMUNITY STAGE

FRIDAY
GATES 4:30 PM
AUGUST 13
CONEXUS ARTS CENTRE

MOLSON COORS **Jack 94.5** **Brandt** **conexus arts centre**

WWW.SHAKETHELAKEREGINA.CA

Shake the Lake
(August 12 to August 13)

Tom Cochrane
with Red Rider
Five Man Electrical Band
Toronto
Headpins
Honeymoon Suite
Streetheart

ENTERTAINING FEEDING & MEETING SOUTHERN SASKATCHEWAN



SEPTEMBER 2021

Queen City Marathon (QCM)

RSO Opening Night

Banquet (2)
Meeting (2)
Luncheon (2)
Dr. Patrick Moore



ENTERTAINING FEEDING & MEETING SOUTHERN SASKATCHEWAN



OCTOBER 2021

Court of Queen's Bench Trials

Trade Shows (2)

Buckcherry

Rocky Horror Show (3 Performances)



Thanksgiving Takeout Meals

RSO with Jess Moskaluke

Meetings (3)

Luncheons (2)

ENTERTAINING FEEDING & MEETING SOUTHERN SASKATCHEWAN



NOVEMBER 2021

Globe Theatre Launch

RSO Classics: Adizokan

City and Color

Satinder Sartaj

Court of Queen's Bench – Jury Trial (6)



The Tenors
International Whisky Night

Meeting (12)

Luncheon (3)

Pre-Show Dinner (2)

Gala (2)

ENTERTAINING FEEDING & MEETING SOUTHERN SASKATCHEWAN

DECEMBER 2021

Cat & Nat

Christmas Parties (10)

Tradeshow (2)

Gala (3)



Meetings (4)

Luncheons (2)

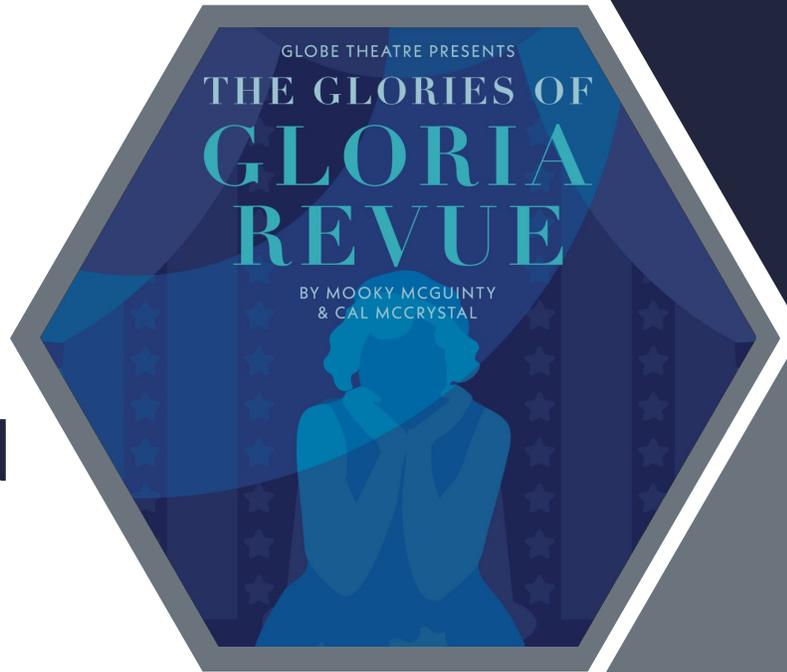
Winter Wonderland

RSO: Christmas Show

SpongeBob the Musical



ENTERTAINING FEEDING & MEETING SOUTHERN SASKATCHEWAN



JANUARY 2022
Luncheon (2)

FEBRUARY 2022

Personal Events (weddings/funerals) (2)

Luncheon (2)

Gala (2)

Valentine's Day Takeout Meal

Meetings (3)

Globe Theatre



ENTERTAINING FEEDING & MEETING SOUTHERN SASKATCHEWAN

MARCH 2022

Globe Theatre (2 Shows)

RSO Classics: For Earth & Sky

RSO Pops: Sarah Slean

Mini Pop Kids

St. Patrick's Day Takeout Meal



Legally Blonde the Musical

Cody Ray Slaughter

Tradeshow (1)

Luncheons (3)

Meetings (5)

Gala (3)

THANK YOU FOR STANDING BY US THROUGH THIS TRYING TIME. 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. 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, we will soon have the opportunity to welcome patrons once again to our world-class theatre. Special thanks for standing with us.

Conexus Credit Union
PepsiCo Canada
Dr. Jacqueline Shumiatcher
P3 Architecture
The Atlas Hotel
Capital GMC Buick Cadillac
Sobey's Liquor
Captive Audience Advertising
E&J Gallo Wines
Corby Distilleries Ltd.
Westridge Construction
Saskmilk
The Keg
Big Steel Box

SaskTel
Molson Canada
Western Litho Printers
A-1 Rent Alls
Pure Country 92.7
SK Government Insurance
Success Office Systems
Sask Blue Cross
Prairie Dog Magazine
Canadian Linen
Prairie Mobile
Communications
Regina Hotel Association
91.3 CJTR
RCI Rogers/City TV



EVENT SPONSORS AND PARTNERS THAT ENABLE THE SUCCESS OF OUR EVENTS INCLUDE:



Brandt

Paradise Leisurescapes

Saskmilk

Prairie Mobile Communications

Corby

Tourism Regina

Rawlco

JLB Electric

Molson Coors

Loraas

Jack 94.5

Crown Shred

Tourism Sask

Sasktel

SGI

City of Regina

KS Media

Sherwood Coop

Save-On-Foods

980 CJME

A-1 RentAlls



MANAGEMENT REPORT MARCH 2022

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 of Directors on July 18, 2022.



Neil Donnelly
Chief Executive Officer
June 2022



Nicholas Oleynick
Director of Finance & Administration
June 2022



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, 2022, 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, 2022, and the results of its operations, change in its net financial 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.

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
July 18, 2022

Tara Clemett, CPA, CA, CISA
Provincial Auditor
Office of the Provincial Auditor

SASKATCHEWAN CENTRE OF THE ARTS

FINANCIAL STATEMENTS

For the Year Ended March 31, 2022

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

	<u>2022</u>	<u>2021</u>
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 3,082,998	\$ 1,381,949
Accounts receivable	224,093	144,447
Inventories held for resale	34,762	45,425
	<u>3,341,853</u>	<u>1,571,821</u>
LIABILITIES		
Accounts payable and accrued charges	467,395	257,772
Advance sales and deposits	1,843,249	395,423
	<u>2,310,644</u>	<u>653,195</u>
NET FINANCIAL ASSETS (Statement 3)	<u>1,031,209</u>	<u>918,626</u>
NON FINANCIAL ASSETS		
Tangible Capital Assets (Note 4)	332,287	450,980
Inventories held for consumption	35,226	28,483
	<u>367,513</u>	<u>479,463</u>
ACCUMULATED SURPLUS (Statement 2)	<u>\$ 1,398,722</u>	<u>\$ 1,398,089</u>
 Contractural Rights (Note 9)		

(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 2022 (Note 5)	Actual 2022	Actual 2021
REVENUES:			
Catering	\$ 1,429,416	\$ 885,557	\$ 407,815
Theatre	1,190,140	735,359	22,554
Special Event (Note 11)	231,744	869,381	60,000
Other (Schedule 1)	212,916	392,354	145,442
Provincial/Federal Funding (Note 10)	1,000,000	1,392,515	1,283,940
	4,064,216	4,275,166	1,919,751
EXPENSES: (Schedule 2)			
Catering	2,305,000	1,578,120	1,140,974
Theatre	1,769,112	1,526,231	810,948
Special Event	239,764	1,057,234	107,939
Other	71,378	112,948	126,640
	4,385,254	4,274,533	2,186,501
Surplus/(Deficit) for the Year	(321,038)	633	(266,750)
Accumulated surplus - beginning of year		1,398,089	1,664,839
Accumulated surplus - end of year (Statement 1)		\$ 1,398,722	\$ 1,398,089

(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 2022	Actual 2021
	<u> </u>	<u> </u>
Cash flows provided by (used in) operating activities:		
Cash receipts from customers	\$ 4,240,447	\$ 234,205
Cash paid to suppliers and employees	(3,737,586)	(2,028,631)
Provincial/Federal Funding	1,392,515	1,283,940
Interest Income	10,384	15,007
	<u> </u>	<u> </u>
Cash flows provided by (used in) operating activities	1,905,760	(495,479)
	<u> </u>	<u> </u>
Cash flows (used in) capital activities		
Purchase of capital assets	(204,711)	-
	<u> </u>	<u> </u>
Net Increase/(decrease) in cash	1,701,049	(495,479)
Cash & cash equivalents, beginning of year	1,381,949	1,877,428
	<u> </u>	<u> </u>
Cash & cash equivalents, end of year (Statement 1)	\$ 3,082,998	\$ 1,381,949
	<u> </u>	<u> </u>

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2022

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

Government transfers are recognized as revenue in the period in which the events giving rise to the transfer occur, the transfer is authorized, eligibility criteria are met and reasonable estimates of the amount can be made.

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 \$ 744,767 cash and term deposits of \$2,338,231 (three terms totaling \$1,631,212 which will mature on January 27, 2023 and has an annual interest rate of .75%, and a \$600,000 term which will mature on March 14, 2023 and has an annual interest

rate of 1.10%, and an investment with SunLife Investments of \$107,016 with an annual interest rate of .9% which will mature on September 8, 2022)

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, 2022 is limited to the carrying value of its accounts receivable. The allowance for doubtful accounts is \$0 (2021-\$0). Subsequent to the year-end, a significant amount of accounts receivable were collected reducing the credit risk. The Conexus Arts Centre's financial instruments do not have any significant interest rate risk or liquidity risk.

4. Tangible Capital Assets

	Convention & Theatre Equipment	Catering Equipment	Office Equipment	Building Equipment	Bar Equipment	2022 Total	2021 Total
Cost							
Balance, beg of year	\$ 1,676,668	\$ 667,861	\$ 122,428	\$ 1,955,884	\$ 171,160	\$ 4,594,001	\$ 4,594,001
Additions	-	-	22,047	182,664	-	204,711	-
Disposals	-	-	(9,177)	(6,855)	-	(16,032)	-
Balance, end of year	1,676,668	667,861	135,298	2,131,693	171,160	4,782,680	4,594,001
Accumulated Amortization							
Balance, beg of year	\$1,594,886	\$ 612,526	\$ 122,428	\$ 1,642,021	\$ 171,160	\$ 4,143,021	\$ 3,857,604
Amortization expense	81,782	18,445	7,349	215,828	-	323,404	285,417
Disposals	-	-	(9,177)	(6,855)	-	(16,032)	-
Balance, end of year	1,676,668	630,971	120,600	1,850,994	171,160	4,450,393	4,143,021
Net book value, end of year	\$ -	\$ 36,890	\$ 14,698	\$ 280,699	\$ -	\$ 332,287	\$ 450,980

5. Budget

These amounts represent the budget approved by the Conexus Arts Centre's Board of Directors on March 17, 2021.

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 SaskBuilds and Procurement 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 the Ministry of SaskBuilds and Procurement. 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>2022</u>	<u>2021</u>
Accounts receivable	\$ 69,513	\$ 125,579
Accounts payable & accrued charges	36,853	68,022
Revenues	597,099	379,359
Expenses		
Utilities	345,903	280,236
Administration	4,604	1,883
Salaries and benefits	145,247	108,437

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 \$27,697 (2021-\$2,446) 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 2022 the Conexus Arts Centre remitted PST of \$39,360 (2021-\$9,497). 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 2022 was \$78,795 (2021-\$60,579) and is included in salaries and benefits expense.

8. **Covid-19 Pandemic**

The Covid-19 pandemic has caused material disruption to business and has resulted in an economic slowdown and due to Covid-19 restrictions. The Centre was unable to host events for the majority of the year due to public health orders. The magnitude and duration of Covid-19 continues to be uncertain and accordingly, it is difficult to reliably measure the potential impact on the Conexus Arts Centre's financial position and operations.

9. **Contractual Rights**

The Conexus Arts Centre has entered into contracts related to sponsorships that the Centre expects to generate economic resources, of \$10,000 or more, from in the form of future revenue over the next several years with Conexus Credit Union, Westridge Construction, Prairie Mobile, Western Litho, Sask Milk, Sask Blue Cross, Capital Auto Mall, and Molson Canada.

Contractual Rights include:

Conexus Credit Union sponsorship agreement with an expiry date of June 2023 and an annual revenue of \$50,000.

Westridge Construction sponsorship agreement with an expiry date of September 30, 2023 and an annual revenue of \$12,000.

Prairie Mobile sponsorship agreement with an expiry date of August 31, 2023 and an annual revenue of \$11,500.

Western Litho sponsorship agreement with an expiry date of October 31, 2023 and an annual revenue of \$12,000.

Sask Milk sponsorship agreement with an expiry date of December 31, 2024 and an annual revenue of \$20,000.

Sask Blue Cross sponsorship agreement with an expiry date of January 31, 2024 and an annual revenue of \$13,200.

Capital Auto Mall sponsorship agreement with an expiry date of August 31, 2026 and an annual revenue of \$65,000.

Molson Canada sponsorship agreement with an expiry date of December 31, 2022 and an annual revenue of \$25,000.

10. **Provincial/Federal Funding**

The Centre received \$741,000 (2021-\$620,000) from the Provincial Government to maintain operations during the Covid-19 shut downs. The Centre also applied and received Federal Government funding through the CEWS program, and two Federal

Government grants – one specifically for technology improvements (\$200,000) and one a Covid recovery assistance grant (\$125,000) for a total of \$651,515 (2021-\$663,940).

11. **Comparative Figures**

It should be noted that the Special Event line item may vary from year to year dependant on the event included.

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

	<u>2022</u>	<u>2021</u>
Office Rentals	\$ 44,753	\$ 44,753
Arts Boards, ATM & Misc.	6,137	5,154
Sponsorships/Donations	331,080	80,528
Investment Income	<u>10,384</u>	<u>15,007</u>
Total Other Income:	<u>\$ 392,354</u>	<u>\$ 145,442</u>

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

Expenses:	Catering	Theatre	Special Event	Other	2022 Total	2021 Total
Administration	\$ 222,295	\$ 184,592	\$ 218,234	\$ 98,490	\$ 723,611	\$ 506,512
Beverage Costs	19,006	7,368	-	-	26,374	4,525
Building Expense	384,648	598,660	-	14,458	997,766	787,975
Event Expenses	64,383	80,573	761,858	-	906,814	45,299
Food Costs	90,431	3,174	-	-	93,605	48,863
Salaries & Benefits	787,589	612,577	77,142	-	1,477,308	792,458
Misc.	9,768	39,287	-	-	49,055	869
Total Expenses	\$ 1,578,120	\$ 1,526,231	\$ 1,057,234	\$ 112,948	\$ 4,274,533	\$ 2,186,501

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:

THE CONEXUS ARTS CENTRE
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REGINA, SASKATCHEWAN
S4S 7L3

WWW.CONEXUSARTSCENTRE.CA

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