

The Saskatchewan Filmpool Co-operative
Financial Statements
March 31, 2024

Independent Auditor's Report

To the Members of The Saskatchewan Filmpool Co-operative:

Opinion

I have audited the financial statements of The Saskatchewan Filmpool Co-operative (the Organization), which comprise the statement of financial position as at March 31, 2024, and the statement of operations, statement of changes in net assets and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024 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

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

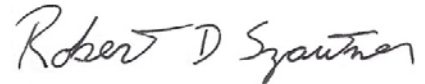
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

INDEPENDENT AUDITORS' REPORT *(continued)*

- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

Regina, Saskatchewan
September 11, 2024



Robert D. Szautner
Chartered Professional Accountant

The Saskatchewan Filmpool Co-operative

Statement of Financial Position

As at March 31, 2024

	2024	2023
Assets		
Current		
Cash	28,762	14,604
Accounts receivable	33,365	99,750
GST receivable	4,453	2,523
Prepaid expenses	15,749	2,684
	82,329	119,561
Tangible capital assets (Note 4)	125,460	124,146
	207,789	243,707
Liabilities		
Current		
Accounts payable	72,895	47,295
Current portion of settlement payable (Note 5)	10,000	30,000
Deferred grant contributions (Note 6)	14,400	15,778
Deferred memberships	383	1,026
PST payable	2,483	2,117
Source deductions payable	3,235	-
	103,396	96,216
Deferred capital asset contributions (Note 7)	156,949	144,797
Settlement payable (Note 5)	10,000	20,000
	270,345	261,013
Net assets		
Invested in tangible capital assets	(31,489)	(20,651)
Unrestricted surplus	(31,067)	3,345
	(62,556)	(17,306)
	207,789	243,707

Approved on behalf of the Board

Director



Director



The accompanying notes are an integral part of these financial statements.

The Saskatchewan Filmpool Co-operative
Statement of Operations
For the year ended March 31, 2024

	2024	2023
Revenue		
Operating grants		
Canada Council for the Arts	89,200	89,200
Sask Arts Board	104,550	102,000
	193,750	191,200
Project grants		
Canada Council for the Arts – Sector Innovation	15,778	10,407
City of Regina	12,100	12,100
Independent Media Arts Alliance – Digital Skills for Youth	-	10,300
	27,878	32,807
Self-help (Schedule 1)	22,531	13,419
	244,159	237,426
Expenses		
Administration (Schedule 2)	91,687	100,789
Exhibition, production, technical and programming (Schedule 3)	103,477	142,674
Facility operating (Schedule 4)	39,978	41,709
Marketing and communication (Schedule 5)	55,552	46,478
	290,694	331,650
Deficiency of revenue over expenses before the following:	(46,535)	(94,224)
Other revenue (expenses)		
Amortization of capital grants	17,848	16,656
Amortization of tangible capital assets	(16,563)	(15,624)
Settlement agreement expense	-	(50,000)
	1,285	(48,968)
Deficiency of revenue over expenses	(45,250)	(143,192)

The accompanying notes are an integral part of these financial statements.

The Saskatchewan Filmpool Co-operative Statement of Changes in Net Assets

For the year ended December 31, 2024

	<i>Invested in Tangible Capital Assets</i>	<i>Unrestricted Surplus</i>	<i>Total 2024</i>	<i>Total 2023</i>
Balance, beginning of year	(20,651)	3,345	(17,306)	125,886
Excess (deficiency) of revenues over expenses	1,285	(46,535)	(45,250)	(143,192)
Acquisition of tangible capital assets	17,877	(17,877)	-	-
Capital grants received	(30,000)	30,000	-	-
Balance, end of year	(31,489)	(31,067)	(62,556)	(17,306)

The accompanying notes are an integral part of these financial statements.

The Saskatchewan Filmpool Co-operative
Statement of Cash Flows
For the year ended March 31, 2024

	2024	2023
Cash provided by (used for) the following activities		
Operating activities		
Deficiency of revenue over expenses	(45,250)	(143,192)
Amortization of deferred capital grants	(17,848)	(16,656)
Amortization of tangible capital assets	16,563	15,624
Net change in non-cash working capital balances		
Accounts receivable	66,385	(10,550)
GST receivable	(1,930)	(449)
Prepaid expenses	(13,065)	(80)
Accounts payable and accrued liabilities	(798)	71,444
Deferred contributions	(2,022)	(10,012)
	2,035	(93,871)
Investing activities		
Acquisition of tangible capital assets	(17,877)	(6,346)
	(17,877)	(6,346)
Financing activities		
Additions to capital grants	30,000	30,000
	30,000	30,000
Increase (decrease) in cash resources	14,158	(70,217)
Cash resources, beginning of year	14,604	84,821
Cash resources, end of year	28,762	14,604

The accompanying notes are an integral part of these financial statements.

The Saskatchewan Filmpool Co-operative

Notes to the Financial Statements

For the year ended March 31, 2024

1. Nature of operations

The Saskatchewan Filmpool Co-operative (the "Organization") is a not-for-profit organization incorporated under The Co-operatives Act of Saskatchewan. The Organization was formed to promote and assist independent motion picture production by providing related services to its members. The Organization is a registered charity under the Income Tax Act and is not subject to income tax.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations using the following significant accounting policies:

Cash

The Organization's policy is to present bank balances and term deposits with a maturity period of three months or less from the date of acquisition under cash.

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.

Operating grants are recognized in the period to which the funding relates. Membership revenues are recognized in the year the membership relates to. Equipment and space rentals are recognized as revenue when the rental occurs. Revenues from workshops and the Saskatchewan Independent Film Awards are recognized when the event occurs.

Capital assets

Equipment is recorded at cost. The Organization provides for amortization on a straight-line basis over the equipment's estimated useful life of 15 years. Deferred capital grants applicable to the equipment is amortized over 15 years and recognized as revenue as the amortization expense is recorded.

Measurement uncertainty

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.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Financial instruments

The Organization measures its financial assets and financial liabilities at fair value. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in the statement of operations. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

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

3. Line of credit

The Organization has a Conexus Credit Union revolving line of credit in the amount of \$5,000 bearing interest at prime plus 11.20% and secured by a general security agreement. The amount outstanding at the end of the year was \$nil (2023 - \$nil).

The Saskatchewan Filmpool Co-operative

Notes to the Financial Statements

For the year ended March 31, 2024

4. Tangible capital assets

	<i>Cost</i>	<i>Accumulated Amortization</i>	<i>Net book value 2024</i>	<i>Net book value 2023</i>
Camera equipment	131,223	117,075	14,148	13,121
Sound equipment	54,587	51,185	3,402	3,044
Production equipment	401,813	293,903	107,910	107,981
	587,623	462,163	125,460	124,146

5. Settlement agreement

The Organization has signed a settlement agreement related to an outstanding claim from a prior year and has agreed to pay \$50,000 between September 2023 and January 2026. The remaining payments to the complainant are as follows:

January 2025	\$10,000
January 2026	\$10,000

6. Deferred contributions

	<i>Community Initiatives Fund – Strategic Planning Grant</i>	<i>Canada Council for the Arts – Sector Innovation Grant</i>	<i>2024</i>	<i>2023</i>
Balance, beginning of year	-	15,778	15,778	26,185
Additions	14,400	-	14,400	-
Amount recognized as revenue	-	(15,778)	(15,778)	(10,407)
Balance, end of year	14,400	-	14,400	15,778

7. Deferred capital asset contributions

	<i>2024</i>	<i>2023</i>
Balance, beginning of year	144,797	131,453
Additions during the year:		
Canada Council for the Arts	30,000	30,000
Amount recognized as revenue	(17,848)	(16,656)
Balance, end of year	156,949	144,797

8. Commitment

The Organization entered into a lease agreement with Konica Minolta for an office printer. The monthly payment for the printer is \$170 and the lease expires on March 31, 2025. The lease requires future payments as follows:

2025	\$2,040
------	---------

9. Economic dependence

The Organization receives the majority of its revenue through funding agreements with Canada Council of the Arts and the Saskatchewan Arts Board. The Organization's ability to continue as a going concern is dependent on maintaining these funding agreements.

10. Financial instruments

The Organization is exposed to various risks through its financial instruments. The following analysis provides information about the Organization's risk exposure and concentration. There have been no significant changes in the nature or concentration of the risk exposures from the prior year, unless otherwise noted.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk on the accounts receivable from its customers and members, however, does not have a significant exposure to any individual customer or member.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization manages its liquidity risk by forecasting its cash needs on a regular basis and seeking additional information based on those forecasts.

11. Comparative figures

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

The Saskatchewan Filmpool Co-operative

Schedule 1 – Self help

For the year ended March 31, 2024

	2024	2023
Internal		
Memberships	4,215	3,755
Rentals	5,099	5,442
Workshops & seminars	6,167	-
	15,481	9,197
External		
Sponsorships	7,050	4,222
	7,050	4,222
	22,531	13,419

The Saskatchewan Filmpool Co-operative

Schedule 2 – Administration

For the year ended March 31, 2024

	2024	2023
Accounting fees	3,499	4,080
Courier and postage	141	435
Interest and bank charges	615	602
Insurance	8,628	7,899
Membership fees	728	1,500
Miscellaneous	-	118
Office equipment and supplies	6,766	4,721
Office supplies	-	338
Professional fees	16,906	19,306
Staff and board development	6,020	5,752
Salaries and benefits	47,179	56,038
Travel	1,205	-
	91,687	100,789

The accompanying notes are an integral part of these financial statements.

The Saskatchewan Filmpool Co-operative
Schedule 3 – Exhibition, production, technical and programming

For the year ended March 31, 2024

	2024	2023
Film presentation		
Honoraria to film makers	2,545	2,085
Publicity and promotional	529	125
Salaries and benefits	22,330	35,496
Saskatchewan Independent Film Awards	13,807	4,925
	39,211	42,631
Film production		
Equipment and repairs	2,845	11,033
Funding	6,700	16,750
Jury fees	1,905	1,500
Salaries and benefits	41,259	37,786
Supplies	261	11
	52,970	67,080
Workshops		
Sector Innovation – Colour Reversal	-	10,407
Workshops and seminars	11,296	22,556
	11,296	32,963
	103,477	142,674

The Saskatchewan Filmpool Co-operative
Schedule 4 – Facility operating

For the year ended March 31, 2024

	2024	2023
Maintenance	994	350
Rent	30,756	34,088
Utilities	8,228	7,271
	39,978	41,709

The Saskatchewan Filmpool Co-operative
Schedule 5 – Marketing and communications

For the year ended March 31, 2024

	2024	2023
Advertising and printing	6,236	3,574
Internet and website	2,816	2,545
Salaries and benefits	46,500	40,359
	55,552	46,478

The accompanying notes are an integral part of these financial statements.