

SASKATCHEWAN GERMAN COUNCIL INC.

Financial Statements

Year Ended March 31, 2025

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Saskatchewan German Council Inc. have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Saskatchewan German Council Inc.'s reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Board of Directors approve the financial statements and considers the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by MWC Chartered Professional Accountants LLP, in accordance with Canadian generally accepted auditing standards.


Executive Director


Board Director

Saskatoon, SK
May 26, 2025



Chartered Professional
Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Saskatchewan German Council Inc.

Opinion

We have audited the financial statements of Saskatchewan German Council Inc. (the "Council"), which comprise the statement of financial position as at March 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 Council as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 Council in accordance with 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 ASNPO, 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 Council'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 Council or to cease operations, or has no realistic alternative but to do so.

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

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An asset to our clients, not an expense

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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 Council'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 Council'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 Council 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.

MWC LLP

Chartered Professional Accountants

Regina, Saskatchewan
May 26, 2025

SASKATCHEWAN GERMAN COUNCIL INC.

Statement of Financial Position

March 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	\$ 53,745	\$ 54,634
Unrestricted investments (Note 4)	-	1,823
Restricted investments (Note 4)	78,759	67,500
Goods and services tax recoverable	742	1,079
Prepaid expenses	1,305	202
	<u>\$ 134,551</u>	<u>\$ 125,238</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 9,218	\$ 6,778
Wages payable	4,387	5,468
Deferred revenue	690	-
	<u>14,295</u>	<u>12,246</u>
NET ASSETS		
Unrestricted fund	41,497	45,492
Restricted fund	78,759	67,500
	<u>120,256</u>	<u>112,992</u>
	<u>\$ 134,551</u>	<u>\$ 125,238</u>

CONTINGENT FUNDING (Note 6)

ON BEHALF OF THE BOARD



Director



Director

See notes to financial statements

SASKATCHEWAN GERMAN COUNCIL INC.

Statement of Operations Year Ended March 31, 2025

	2025	2024
REVENUES		
<u>Grant revenue</u>		
Sask Trust for Sport, Culture and Recreation	\$ 200,000	\$ 202,000
Summer student grant	4,111	3,818
Heritage Canada grant	1,920	-
Saskatchewan job grant	-	7,354
<u>Private sector revenue</u>		
Donations	445	285
Fundraising sponsorships	-	1,252
<u>Other Revenues</u>		
Earned revenues (<i>Schedule 1</i>)	13,956	12,995
Interest	4,490	2,527
	224,922	230,231
EXPENSES		
Organizational business (<i>Schedule 2</i>)	150,907	151,999
Office operation (<i>Schedule 3</i>)	17,143	15,312
Travel and meetings (<i>Schedule 4</i>)	9,197	10,878
Sponsorship (<i>Schedule 5</i>)	500	1,400
Member funding programs (<i>Schedule 6</i>)	31,455	32,465
Programs (<i>Schedule 7</i>)	8,456	11,521
	217,658	223,575
EXCESS OF REVENUES (EXPENSES)	\$ 7,264	\$ 6,656

Statement of Changes in Net Assets Year Ended March 31, 2025

	Unrestricted Fund	Restricted Fund	2025	2024
NET ASSETS - BEGINNING OF YEAR	\$ 45,492	\$ 67,500	\$ 112,992	\$ 106,336
EXCESS OF REVENUES (EXPENSES)	7,264	-	7,264	6,656
TRANSFER (<i>Note 5</i>)	(11,259)	11,259	-	-
NET ASSETS - END OF YEAR	\$ 41,497	\$ 78,759	\$ 120,256	\$ 112,992

See notes to financial statements

SASKATCHEWAN GERMAN COUNCIL INC.

Statement of Cash Flows Year Ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess of revenues (expenses)	\$ 7,264	\$ 6,656
Items not affecting cash:		
Amortization of capital assets	-	326
Reinvested earnings on investments	(3,398)	(1,192)
	<u>3,866</u>	<u>5,790</u>
Changes in non-cash working capital:		
Accounts payable	2,440	(1,860)
Prepaid expenses	(1,103)	(202)
Goods and services tax payable	337	592
Wages payable	(1,081)	833
Deferred revenue	690	(196)
	<u>1,283</u>	<u>(833)</u>
Cash flow from operating activities	<u>5,149</u>	<u>4,957</u>
INVESTING ACTIVITY		
Purchase of investments	<u>(6,038)</u>	<u>(1,860)</u>
Cash flow used by investing activity	<u>(6,038)</u>	<u>(1,860)</u>
INCREASE (DECREASE) IN CASH FLOW	(889)	3,097
CASH - BEGINNING OF YEAR	<u>54,634</u>	<u>51,537</u>
CASH - END OF YEAR	<u>\$ 53,745</u>	<u>\$ 54,634</u>

See notes to financial statements

SASKATCHEWAN GERMAN COUNCIL INC.

Notes to Financial Statements

Year Ended March 31, 2025

1. PURPOSE OF THE COUNCIL

Saskatchewan German Council Inc. (the "Council") was incorporated under The Non-Profit Corporations Act in the province of Saskatchewan. The mission of the Council is providing cultural programs and support to its members.

The Council is exempt from income taxes under section 149 of The Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Revenue recognition

The Council follows the deferral method of accounting for contributions which includes grants, donations, memberships, and sponsorships.

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.

Investment income is recognized in the period earned.

Registration fees are recognized as revenue when the events are held. Advertising, fundraising, merchandise, program support, and translation revenues are recognized when the service is provided. Other revenues are recognized when received.

Fund accounting

Saskatchewan German Council Inc. uses fund account and has the following funds:

- Unrestricted Fund - reports the day-to-day operations of the Council.
- Restricted Fund - internally restricted by the Board of Directors to provide for the long-term sustainability of the Council in the event of a significant change in funding, programming, and to ensure sufficient resources are available to settle any debts that may arise in the event of a dissolution.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	3 years	straight-line method
Furniture and fixtures	10 years	straight-line method

The Council regularly reviews its capital assets to eliminate obsolete items.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. 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.

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SASKATCHEWAN GERMAN COUNCIL INC.

Notes to Financial Statements

Year Ended March 31, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial assets including cash, unrestricted and restricted investments and accounts receivable are reported at amortized cost. Financial liabilities including accounts payable and accrued liabilities are measured at amortized cost.

3. ECONOMIC DEPENDENCE

The Council receives a significant share of its total revenue from the Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation (SLT) to carry out its programming. Should the funding from the SLT substantially change, the Council would have to significantly alter their programming if replacement funding could not be obtained.

4. INVESTMENTS

	<u>2025</u>	<u>2024</u>
Term deposits	\$ 77,863	\$ 68,725
Accrued interest	896	598
	<u>\$ 78,759</u>	<u>\$ 69,323</u>

Term deposits bear interest between 2.850% - 4.120% (2024 - 0.332% and 4.050%) and mature between April 2025 and February 2026 (2024 - November 2024 and November 2025)

The allocation of investments are as follows:

Restricted investments	\$ 78,759	\$ 67,500
Unrestricted investments	-	1,823
	<u>\$ 78,759</u>	<u>\$ 69,323</u>

5. INTERFUND TRANSFER

In the year, the Board approved the transfer of \$11,259 (2024 - \$2,500) to the Restricted fund.

6. CONTINGENT FUNDING

In common with most grant funding, the granting agencies performs a subsequent review of the financial statements and can require repayment of prior year's funding, or adjust current funding, based on their determination of the use of the funding for eligible program costs. No provision is made in the financial statements for a possible settlement of current year's funding and any settlement related to prior year's is recognized as part of current funding revenue in the period it is made known to the Council.

SASKATCHEWAN GERMAN COUNCIL INC.

Notes to Financial Statements

Year Ended March 31, 2025

7. FINANCIAL INSTRUMENTS

The Council is exposed to various risks through its financial instruments and management is responsible to monitor, evaluate and manage these risks. The following analysis provides information about the Council's risk exposure and concentration as of March 31, 2025.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Council's exposure to credit risk is limited as there is minimal trade activity in the year. The majority of receivables during the year pertain to expected government funding and all other receivable activity is with many customers and members and so there is no concentration of risk.

Liquidity risk

Liquidity risk is the risk that an entity will be unable to settle current debts with current assets. The Council's exposure to the risk of not realizing its assets is considered nominal as receivables are primarily from government agencies. The Council's exposure to settlement of obligations is limited to payment of accounts and wages payable and is considered low due to the nature of operations.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Council manages exposure through its normal operating and financing activities. The Council's exposure is limited to the stated rate of its credit card as is considered nominal due to the credit limit of the card.

Unless otherwise noted, it is management's opinion that the Council is not exposed to significant other price risks arising from these financial instruments.

SASKATCHEWAN GERMAN COUNCIL INC.

Earned Revenues Year Ended March 31, 2025

(Schedule 1)

	2025	2024
Translations & Services	\$ 6,355	\$ 7,107
Membership Fees	2,500	2,542
Registration Fees	2,095	1,475
Other	954	650
Merchandise	908	551
Program Support	600	249
Advertising Sales	544	393
Map Sales	-	28
	<u>\$ 13,956</u>	<u>\$ 12,995</u>

Organizational Business Expenses Year Ended March 31, 2025

(Schedule 2)

	2025	2024
Personnel	\$ 133,413	\$ 131,851
Publications - newsletter	8,049	9,755
Audit	5,425	5,425
Other	2,826	2,752
Fees & Charges	683	1,544
Membership Fees	300	450
Bank Charges	211	222
	<u>\$ 150,907</u>	<u>\$ 151,999</u>

Office Operation Expenses Year Ended March 31, 2025

(Schedule 3)

	2025	2024
Rent	\$ 8,669	\$ 8,336
Office Supplies	1,677	1,032
Internet	1,551	1,599
Telephones	1,417	1,132
Special Printing Costs	1,296	1,223
Insurance	922	371
Postage and Shipping	677	608
Equipment service and repairs	650	350
Photocopying	202	206
Word/Board/Misc.	51	99
Administration	31	30
Amortization	-	326
	<u>\$ 17,143</u>	<u>\$ 15,312</u>

See notes to financial statements

SASKATCHEWAN GERMAN COUNCIL INC.

Travel and Meetings Expenses

(Schedule 4)

Year Ended March 31, 2025

	2025	2024
Annual general meeting	\$ 5,209	\$ 4,745
Travel - volunteer	2,959	4,831
Travel - staff	1,029	1,302
	<u>\$ 9,197</u>	<u>\$ 10,878</u>

Sponsorship Expenses

(Schedule 5)

Year Ended March 31, 2025

	2025	2024
Battleford Oktoberfest	\$ 500	\$ -
Confederation Park Community Association - International Cooking Series	-	400
Jubilee Residences Foundation - Oktoberfest	-	1,000
	<u>\$ 500</u>	<u>\$ 1,400</u>

Member Funding Program Expenses

(Schedule 6)

Year Ended March 31, 2025

	2025	2024
American Historical Society of Germans from Russia, Regina		
Rental support for meetings	\$ 460	\$ 600
Support for Schmeckfest	-	150
Germans from Russia Culture and Presentation	900	-
Austrian Canadian Edelweiss Club, Regina		
Oktoberfest event	-	500
Mosaic	500	500
Christmas party	320	350
Family Picknick	-	200
Card Printing	280	-
50th Anniversary Celebration	500	-
Austrian Hunting & Fishing Club Support		
Anniversary Celebration	250	150
Annual Shooting Competition	100	-
Annual Target Shooting	180	-
CFCR Radio, Saskatoon		
Deutsche Klangfabrik radio program	730	850
Concordia Alpenrose Schuhplattler Verein, Saskatoon		
Dance studio rent	1,240	770
Dance costume alteration	-	500
Maifest	900	-

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See notes to financial statements

SASKATCHEWAN GERMAN COUNCIL INC.

Member Funding Program Expenses *(continued)*

(Schedule 6)

Year Ended March 31, 2025

	2025	2024
<i>(continued)</i>		
Dance group pins	-	500
Concordia Brass Band, Saskatoon		
Funding for hall rental and rehearsals	1,050	1,000
Transposing software for music	-	399
Honorarium clinician	400	150
Concordia Junior Alpenrose Dancers		
Representation expansion of culture	-	825
Dance studio rent	450	570
Mayday celebration / Maifest	250	500
German Canadian Club Concordia		
Christkindl Markt	-	300
Folkfest 2024	800	-
Banner support	-	300
German Canadian Society Harmonie		
Sommerwende	450	300
Spargelfest	250	300
Weihnachtsfeier	200	300
Oktoberfest	450	-
Karnevalsgesellschaft Harmonie, Regina		
K.G. Harmonie German Dancers	730	1,000
Crowning / Opening of Karneval season	730	500
Evening with St. Nikolaus	360	500
Kinderfasching	270	450
Kochloeffel and Nudelholz		
Cooking classes	1,390	1,400
KulturGarten Saskatoon		
Support for Maifest	900	531
Mennonite Heritage Village		
Summer museum program	400	500
Regina Austrian Edelweiss Dance Association		
Hall rental	1,800	1,500
Dance instructor	520	650
Saskatchewan German Culture Assistance Fund		
German Language Award	300	500
Saskatoon German Heritage Society		
SK German from Russia presentation	140	220
Skat Club		
Banner	950	300
Volksliederchor Harmonie, Regina		
Advent concert	590	1,600
Spring concert	1,000	500
School/Preschool funding	5,715	7,300
Costume and travel funding	5,000	5,000
	\$ 31,455	\$ 32,465

See notes to financial statements

SASKATCHEWAN GERMAN COUNCIL INC.

SGC Programs and Project Expenses

(Schedule 7)

Year Ended March 31, 2025

	2025	2024
Author Reading with Miriam Koerner	\$ -	\$ 359
Author Reading with Metis & German authors	358	-
Bursaries / Scholarships	1,000	500
Culture in the Kitchen	1,087	624
Digital Advent Calendar	253	155
Family Fun Day	1,804	-
Goethe-Institut Examination Centre	325	35
Heritage Festival of Saskatoon & Outreach & Cultural Ambassadors	209	240
Immigration Story Collection Online	300	112
Library acquisitions	125	48
Marketing campaign/communications	-	5,247
Movie Screening & Panel Discussion "The Newcomers"	-	800
Multicultural Seniors' Social Event & Youth Conversation Circle	-	291
Podcast Series SaskScapes "German Culture Alive"	1,200	820
Public Lecture Talk	165	100
Remai Modern English/German Art Tour & Artmaking	50	-
Reprint Book "German Settlements in Saskatchewan"	-	1,497
Volunteer recognition	510	453
Website Strategy, Design, Content & Development, Maintenance	830	-
Wonderhub Collaboration: Advent Wreath Display	240	240
	\$ 8,456	\$ 11,521

See notes to financial statements