

**Saskatchewan Interactive Media Association Inc.**  
**Financial Statements**  
*March 31, 2017*

## Independent Auditors' Report

To the Members of Saskatchewan Interactive Media Association Inc.:

I have audited the accompanying financial statements of Saskatchewan Interactive Media Association Inc., which comprise the statement of financial position as at March 31, 2017, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

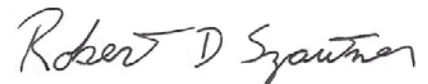
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Opinion*

In my opinion, these financial statements present fairly in all material respects the financial position of Saskatchewan Interactive Media Association Inc. as at March 31, 2017 and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Regina, Saskatchewan  
June 6, 2017

Robert D. Szautner  
Chartered Professional Accountant

**Saskatchewan Interactive Media Association Inc.**  
**Statement of Financial Position**

*As at March 31, 2017*

	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
<b>Current</b>		
Cash	<b>66,208</b>	89,628
Accounts receivable	<b>11,778</b>	4,000
GST receivable	<b>2,689</b>	2,156
	<b>80,675</b>	95,784
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable	<b>2,112</b>	7,053
Deferred contributions	<b>5,200</b>	14,000
	<b>7,312</b>	21,053
<b>Net Assets</b>		
Unappropriated	<b>73,363</b>	74,731
	<b>80,675</b>	95,784

Approved on behalf of the Board

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

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

# Saskatchewan Interactive Media Association Inc.

## Statement of Operations

For the year ended March 31, 2017

	2017	2016
<b>Revenue</b>		
Creative Saskatchewan		
Annual funding	134,500	125,000
Project funding	8,813	92,316
Workshop	2,846	-
Other income	15	43
	<b>146,174</b>	<b>217,359</b>
<b>Expenses</b>		
Advertising	3,174	398
Bank charges	151	217
Contract labour	-	43,460
Conferences	8,346	10,485
Equipment	-	2,524
Freight	-	70
Insurance	655	638
Meetings	1,106	356
Memberships	2,705	549
Office	4,247	665
Professional fees	2,795	3,818
Rental	3,070	3,653
Salaries and benefits	92,267	67,960
Software licenses	272	40
Sponsorships	3,650	500
Telephone	1,149	456
Travel	18,829	21,296
Website	1,089	21,923
Workshops	4,037	420
	<b>147,542</b>	<b>179,428</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>(1,368)</b>	<b>37,931</b>

The accompanying notes are an integral part of these financial statements

**Saskatchewan Interactive Media Association Inc.**  
**Statement of Changes in Net Assets**

*For the year ended March 31, 2017*

---

	<b>2017</b>	<b>2016</b>
<b>Unappropriated surplus, beginning of year</b>	<b>74,731</b>	36,800
<b>Excess (deficiency) of revenues over expenses</b>	<b>(1,368)</b>	37,931
<b>Unappropriated surplus, end of year</b>	<b>73,363</b>	74,731

---

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

# Saskatchewan Interactive Media Association Inc.

## Statement of Cash Flows

For the year ended March 31, 2017

	2017	2016
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenses	(1,368)	37,931
Change in working capital accounts:		
Accounts receivable	(7,778)	(4,000)
GST receivable	(533)	(2,156)
Accounts payable	(4,941)	3,321
Deferred contributions	(8,800)	14,000
	(23,420)	49,096
<b>Increase (decrease) in cash resources</b>	(23,420)	49,096
<b>Cash resources, beginning of year</b>	89,628	40,532
<b>Cash resources, end of year</b>	66,208	89,628

The accompanying notes are an integral part of these financial statements

# Saskatchewan Interactive Media Association Inc.

## Notes to the Financial Statements

For the year ended March 31, 2017

---

### 1. Incorporation and commencement of operations

Saskatchewan Interactive Media Association (SIMA) was incorporated under the Non-Profit Corporations Act of Saskatchewan. The purpose of the organization is to represent the media industry to policy makers, educators and consumers.

### 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:

#### **Revenue recognition**

SIMA 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, fundraising and sponsorships are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### **Capital assets**

SIMA recognizes the cost of acquisition of capital assets as an expense in the period that the asset is purchased. During the year, capital assets in the amount of \$2,466 (2015 - \$nil) were expensed.

#### **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.

#### **Income taxes**

SIMA is incorporated as a not-for-profit organization under the *Income Tax Act* (the "Act") and as such is exempt from income taxes.

#### **Financial instruments**

SIMA recognizes its financial instruments when the organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the organization may irrevocably elect to subsequently measure any financial instrument at fair value. The organization has not made such an election during the period. Cash, accounts receivable, and accounts payable have been designated to be subsequently measured at their amortized cost.

#### **Financial asset impairment:**

SIMA assesses impairment of all of its financial assets measured at cost or amortized cost. 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 period. If so, 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; 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 period excess (deficiency) of revenues over expenses.

# Saskatchewan Interactive Media Association Inc.

## Notes to the Financial Statements

For the year ended March 31, 2017

---

### 3. Financial instruments

SIMA 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 or credit risks arising from these financial instruments except as otherwise disclosed.

#### **Liquidity risk**

Liquidity risk is the risk that the organization may not be able to meet a demand for cash or fund its obligations as they come due. The organization is exposed to liquidity risk with respect to its accounts payable. The organization manages its liquidity risk by holding assets that can be readily converted into cash.

### 4. Economic dependence

The organization receives significant revenue in contracts from Creative Saskatchewan. As a result, the organization is dependent upon the continuance of these contracts to maintain operations at their current level.