



2022

Annual Report



Annual General Meeting Regina Folk Festival

April 26, 2023 6–8pm

- 01 — Call to Order**
- 02 — Approval of Agenda**
- 03 — Approval of Previous AGM Minutes**
- 04 — Reports**
 - a. Board of Directors**
 - b. Financial**
 - i. 2022 Audited Financials**
 - ii. 2023 Auditor Appointment**
 - c. Management**

- 05 — Elections**
- 06 — Adjournment**

PRESENTATION

- Fundraising for RFF - Amanda Minion**



Previous AGM Minutes for Approval Annual General Meeting

April 14, 2022

PRESENT:

Board Members: Jamie Anderson, Jesse Covert-Ruttenberg, Jordan Czarnecki, Risa Payant, Julian Sanders, Misty Selinger

Staff Members: Amber Goodwyn, Josh Haugerud

Voting Members: Ainslee Beer, Allan Hall, Carmen Ironstar, Jacq Brasseur, Robbie McLellan, Richika Bodani, Nicholas McCormick, Carla Harris, Aaryn Varls

REGRETS:

Board Members: Dianne Beauchamp, Aaron Andrychuk

Staff Members: Hanna Hudson-Plante, Leo Keiser, Amanda Minion, Melanie Metcalf, Merah Gasmó

MINUTES

1. CALL TO ORDER

Meeting called to order at 6:07 PM.

Risa Payant, Interim Board President, welcomed everyone to the Annual General Meeting, and gave a land acknowledgement.

Quorum is established.

2. APPROVAL OF AGENDA

A motion was made to approve the agenda as distributed.

J. Brasseur / A. Hall

Carried

3.APPROVAL OF PREVIOUS AGM MINUTES

A motion was made to approve the minutes of the 2021 Annual General Meeting as distributed.

J. Anderson / J. Brasseur Carried

4.REPORTS

A.BOARD

R. Payant presented the attached report.

A motion was made to accept the Board Report as presented.

J. Brasseur / A. Beer Carried

B.FINANCIAL

I.AUDITED STATEMENTS (2021)

The 2021 Audited Financial Statements were presented by Board Treasurer, Jesse Covert-Ruttenberg.

A motion was made to accept the 2021 Audited Financial Statements as distributed.

A. Hall / N. McCormick Carried

II.APPOINTMENT OF AUDITOR (2022)

A motion was made to accept MWC Chartered Professional Accountants as the RFF auditor for 2022.

J. Czarnecki / A. Beer Carried

C.MANAGEMENT

A. Goodwyn, Artistic Director, and J. Haugerud, Executive Director, presented the attached reports.

A motion was made to accept the management reports as presented.

J. Anderson / J. Covert-Ruttenberg Carried

5.ELECTIONS

A.DIRECTORS

M. Selinger reviewed pertinent bylaws to ensure clarity on the election process.

Status of all current board members was presented. M. Selinger thanked departing board members J. Czarnecki and S. Bell for their service to the organization. Past-President G. Urbanoski resigned from the board in early 2022. M. Selinger also thanked him for his years of service to the RFF.

It was noted that a maximum of six (6) Director spots are open to be filled at this meeting.

M. Selinger then continued to thank the Nominations Committee for their work on recruiting nominees that identify as belonging to equity seeking groups, have an appreciation for the arts and community development, and possess expertise in the areas of: non-profit governance and/or finance; community accountability and positive spaces policies; lawyers were specialize in the areas of entertainment, labour, and/or contract law and non-profit considerations.

A call for nominees was posted on March 14, 2022. A total of ten (10) applications were submitted, which was revised to a shortlist of six (6) who's skills aligned with the previously mentioned priorities.

M. Selinger reviewed the proposed slate of nominees that was provided.

A motion was made to appoint Ainslee Beer, Richika Bodani, Jesse Covert-Ruttenberg, Allan Hall, Carmen Ironstar, and Robbie McLellan to two-year terms on the Board of Directors.

J. Czarnecki / J. Anderson Carried

B.PRESIDENT

J. Sanders reviewed pertinent bylaws related to the presidential election to ensure clarity on the process.

Former Vice-President, R. Payant, was made Interim President in March of 2022 through a vote of the Directors. Payant is letting her name stand for election by membership to a two-year term as President of the Board of Directors.

The membership voted in favour of electing Risa to a two-year term as President of the Board of Directors via a secret ballot process.

6.ADJOURNMENT

A motion was made to adjourn the meeting at 7:03 PM.

J. Brasseur



Board Report

I'm pleased to submit this report from the Regina Folk Festival (RFF) Board of Directors on behalf of the Executive Committee and Members-at-Large. Our team of volunteers worked diligently in 2022, focused on continuing to strengthen the organization's governance and infrastructure so the exceptional team of staff could put their all into the 51st Regina Folk Festival, our first in a post-pandemic reality.



**Risa Payant, President
On behalf of the Board
of Directors**

If you attended our Annual General Meeting last year, you'll know we welcomed an incredible group of new board members. Ainslee Beer, Richika Bodani, Allan Hall, Carmen Ironstar, and Robbie McLellan have brought a wealth of energy and expertise to the team and I'm so grateful to continue working alongside them as they move into the second year of their terms on the board. Long standing board members Dianne Beauchamp and Jesse Covert-Ruttenberg, along with Jamie Anderson, Julian Sanders, and Misty Selinger, who joined the team in 2021, have welcomed these new members and worked to strike a balance between being mindful of our past while forging a new path forward. The focus of this work was refined in early-2022, when we were led through a rigorous strategic planning process by Brita Lind and her team at Arcas Advertising. The resulting three-year plan touches on all aspects of RFF governance and operations with a defined commitment to continue providing exceptional live music programming that is accessible and community-minded, while never shying away from challenging audiences or our team.

In the fall, as carefree summer memories gave way to a renewed vigor for work (I find) always comes with the start of crisper weather, board committees began to meet in earnest. Highlights of their work are broad and include:

- the Policy Committee’s comprehensive review of existing policies, which determined what policies required their focus and allowed them to work towards their goal of having significant new policies complete by the end of 2023;
- the establishment of a Finance and Audit Committee who have focused on longer term, sustainable financial and budget planning, as well as refining internal financial processes.

As I reflect on my first full year leading this incredible group, I’d be remiss not to mention just how great it felt to be back in Victoria park last August. In my President’s Message in the festival program, I addressed hundreds of festival-goers, stating: “This year’s festival feels alive with possibility. So whether this is your first time here or you’re a decades-long supporter, we invite you to revel in the joy of coming together again. As you greet pals from a blanket in the shade at a Daytime Stage or laugh with the little ones in your life in the Children’s Area or lose yourself in the music under the stars at the Mainstage, celebrate each moment of delight as well as the hundreds of people who make this experience possible. We’re so glad you made it.”

Sincerely,

Risa Payant, President
On behalf of the Board of Directors



Management Reports

ARTISTIC DIRECTOR REPORT 2022

Our return to regular programming in 2022 has been a success, despite the challenges we experienced in the journey back to normal operations. Program participants consistently reported excellence in programming, artistry, cultural inclusion, and event experience. Folks were excited by the strong artistic line-ups including the introduction of an annual guest curator and a community wish list initiative to poll the community for artistic recommendations. Additional engagement and success were found in on-line and auxiliary programming, such as our digital Offerings project.

We re-mounted the Regina Folk Festival after a two-year pause, our much-anticipated celebration of music and community. This included ticketed main stage concerts over three nights (August 5-7, 2022) as well as free day stages and cultural programming on the Saturday and Sunday, and after parties. Our focus this year was to invite artists with international renown for their artistry and excellence, as well as artists we were excited for our audiences to discover under the theme 'redreamings'.

We invited fifteen main stage musical artists, ten regional musical artists and a variety of artists and community members toward cultural programming. The line-up included headliners The New Pornographers, Buffy Sainte-Marie (cancelled due to illness) and Lido Pimienta, as well as Andy Shauf, Begonia, Belle Plaine, Black Belt Eagle Scout, Burnt Sienna Boulevard, Cadence Weapon, Dump Babes, DJ Durga, DJ Hendrika, Dominique Fils-Aimé, e.dulanowsky, Ellen Froese, Étienne Fletcher, GRR! (formerly Girls Rock Regina), Frazey Ford, Jeremy Dutcher, Julian Taylor, Julie Doiron and Dany Placard, Katie Tupper, Kris Alvarez, Leanne Betasamosake Simpson (Guest Curator), Library Starship (Library Voices), MELODNA, PIQSIQ, Riva Farrell-Racette, Sabeen Ahmad, THINKTANK, Vibes YQR, Wares, William Prince and Wolf Willow.

Leanne Betasamosake Simpson was the Regina Folk Festival's first ever guest curator. Leanne Betasamosake Simpson, in addition to performing, selected artists for the festival including Black Belt Eagle Scout, Dominique Fils-Aimé, PIQSIQ, and Julian Taylor.

Winterruption is our late-January festival that blends indoor concerts and outdoor activities, with free and ticketed events. In 2022 we had to postpone until the end of March due to the Omicron variant wave in January. The initial line-up included DijahSB, Julian Taylor, People of the Sun, Snake River, TEKE::TEKE, The Garrys, The North Sound and The Sadies at venues the Artesian, The Exchange and on-line. Sadly, we had to cancel The Sadies and The Garrys show due to the devastating news of Dallas Good's passing. Additionally, Dijah SB was unable to play due to health issues. The Winterruption touring network has been of great benefit, allowing the participating cities to share resources and coordination across the prairies by way of Calgary, Edmonton, Saskatoon, Winnipeg, and Swift Current.

Our Concert Series programming recommenced in the autumn of 2022 and featured concerts with touring artists; SaskSampler, an early-career artist showcase called programmed in partnership with Gateway Music Festival, Artesian and Ness Creek Music Festival; and Bazaar, in partnership with the Mackenzie Art Gallery. The featured Concert Series artists were Basia Bulat, Joel Plaskett, Whitehorse, The Pack A.D., Spoils, LJ Tyson, ka lok, Last Birds, VBND, Lova Lamp and Bree & Brown.

Over the past year we focused on building an on-line Offerings component into most of our in-person programming. Offerings is our online programming including micro-concert performances, panel discussions and interviews with artists and community. This programming offers insight into the work of Regina Folk Festival artists year-round and are generally freely accessible to the public. An important partnership this past summer was with Regina Public Library's Dunlop Art Gallery and RPL Film Theatre for our Offerings program. Initiated by Dunlop Art Gallery's thoughtful response to the 51st Regina Folk Festival line-up, our two organizations collaborated to imagine and organize artist talks and screenings to offer deeper insight into the featured artists and musical traditions.

The Regina Folk Festival engaged in various activities including professional development and networking opportunities. In particular, the Regina Folk Festival was pleased to participate in panels and delegations for the sector by attending the SaskMusic's Very Prairie music conference, BreakOut West, POP Montreal, Canadian Folk Music Awards, among other opportunities.

In the fall of 2022, the Advisory Committee met to review the 52nd edition of the festival to ensure that it was reflective of the talents and interests of the greater community. The Advisory Committee is comprised of BIPOC, gender and sexually diverse, disabled and neuro-diverse people. In 2022 the committee included Elden G. Anaquod, Ryan Lizee, Nicholas Chelsom McCormick and Katie Sahl.

The successes we had this year are attributed to the strength of our team (Board, staff, contractors, volunteers, partners, committees, and artists). The staff, Leo Keiser, Melanie Metcalf, Amanda Minion, Hanna Hudson-Plante, Lenore Maier and Merah Gasmu continued to adapt to every plan and back-up plan that needed to be created. Executive Director Josh Haugerud's co-leadership has been invaluable. We look forward to moving forward into 2023 with this incredible team!

Respectfully submitted,

Amber Goodwyn, Artistic Director



Management Reports

EXECUTIVE DIRECTOR REPORT 2022

In 2022, the RFF completed a new strategic plan that will guide the organization for the next three years. The plan includes the following goals, which are accompanied by a work plan for staff and the board of directors to ensure we meet said goals:

- 1. Financial stability:** The RFF will be a financially stable and thriving organization.
- 2. Culture:** The RFF will have a culture of safety, equity, inclusion, and diversity that fosters a positive environment for employees, volunteers, artists, partners, and patrons.
- 3. Program excellence:** The RFF will present programming and events that are responsive, community-minded, enriching, and enjoyable.
- 4. Organizational capacity:** The RFF will operate smoothly, effectively, and efficiently on all levels. Those involved will understand their roles and have the support they need for success.

We continued to promote accessibility initiatives that foster an inclusive festival. For example, we added a hearing loop at the summer festival, and piloted a project allowing businesses to purchase tickets and donate them to groups in need or to reward certain groups (an example of this was Marsh Digital purchasing Winterruption tickets for a group of pharmacists).

Furthermore, we partnered with AIDS Programs South Saskatchewan to provide Naloxone training and kits to our summer festival volunteers.

In 2022, when the provincial government opted to add PST to tickets, RFF became involved in some industry advocacy. We worked with the Saskatchewan Arts Alliance to develop a letter to the government in response to the decision and presented that letter in person to the Minister responsible for Tourism, Arts and Culture and the Premier, along with a group of non-profit and arts organizations.

RFF issued a request for proposals for Beer RFP in 2022, as the three-year agreement with Big Rock expired. Through this process, we were able to reward a new contract to local beer providers Rebellion and Pile of Bones for 2023. We wish to thank our long-time providers Big Rock for their amazing service, support, and dedication to the community.

In 2022, several individuals important to RFF moved on from their positions. We would like to thank Dayle Hillier-Schroeder, our Production Manager of over a decade, for setting RFF up with the tools needed for success and for her continued support as a volunteer. Lenore Maier did an incredible job stepping into the role vacated by Dayle. She secured an opportunity in another non-profit and she worked with us and her new role until after the 2022 festival, and we wish her the best in her future endeavors. Finally, we would like to thank Dianne Beauchamp, a long-time board member, for her contributions to furthering the mission of RFF while serving on the board.

Respectfully submitted,

Josh Haugerud
Executive Director



Nominations Committee Reports

The slate is as follows:

Jamie Anderson

Risa Payant

Julian Sanders

Misty Selinger

Jason Schell

All nominees will be asked to speak to their interest and qualifications for a role on the Board of Directors during the AGM.



Sponsor Appreciation

THE REGINA FOLK FESTIVAL INC. IS A CHARITABLE, NON-PROFIT - CHARITABLE ORGANIZATION WHOSE PURPOSE IS TO PRESENT ACCESSIBLE LIVE MUSIC IN THE CONTEXT OF COMMUNITY-BUILDING OPPORTUNITIES YEAR-ROUND.

TD Ready Commitment

Nutrien

Wawanesa Insurance

SGI

SaskTel

SaskEnergy

DirectWest

Harvard Developments Inc.

Creative Saskatchewan

SGEU

SUN

CUPE

SEIU-West

SARCAN

Ramada Plaza Regina

Multicultural Council of Saskatchewan

Crave Kitchen + Wine Bar

Big Rock

Harvard Media: Play 92.1, The Wolf, CKRM

CBC Saskatchewan

CJTR

CFCR

Global Regina

Prairie Dog Magazine

Sleek Advertising

Pattison Outdoor

North Canadian Construction Group

Prairieland Rentals & Sales

JLB Electric

Wheat Country Motors



Thanks to our Funders

ArtsVest

City of Regina

SaskLotteries

SK Arts

Canadian Heritage and the Government of Canada

Tourism Saskatchewan

SOCAN

FACTOR

Canada Council for the Arts



2023 Festival Tickets are on sale now!

AUGUST 11-13 | TICKETS: REGINAFOLKFESTIVAL.COM

52ND

REGINA FOLK FESTIVAL

2023

WEB OF LIFE: MUSIC AND COMMUNITY IN HARMONY WITH THE EARTH

ALAN DOYLE | ALLISON RUSSELL

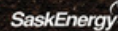
THE HALLUCI NATION | THE STRUMBELLAS

ABIGAIL LAPELL | CHAD VANGAALAN | KINNIE STARR | LOGAN STAATS

POLKY | SHAD | SOCALLED | TEKE::TEKE | THE WEATHER STATION

GUEST CURATOR: MUSIC DECLARES EMERGENCY

More artists, partners, and activities to be announced soon!



www.reginafolkfestival.com

REGINA FOLK FESTIVAL INC.

Financial Statements

Year Ended December 31, 2022

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Regina Folk Festival Inc. have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. 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 Regina Folk Festival 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



Treasurer

Regina, SK
April 20, 2023



Chartered Professional
Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Regina Folk Festival Inc.

Opinion

We have audited the financial statements of Regina Folk Festival Inc. (the Organization), which comprise the statement of financial position as at December 31, 2022, 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 December 31, 2022, 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.

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 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.

Emphasis of Matters

The financial statements contain information on a matter we have determined to be a significant financial report item. We draw your attention to Note 10 to the financial statements, which provides information on a contingent liability related to the termination of an employee. Our opinion is not modified in respect to this disclosure.

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 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.

(continues)

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 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.

The image shows a handwritten signature in black ink that reads "MWC LLP". The letters are stylized and cursive.

Chartered Professional Accountants

Regina, Saskatchewan
April 20, 2023

REGINA FOLK FESTIVAL INC.

Statement of Financial Position

December 31, 2022

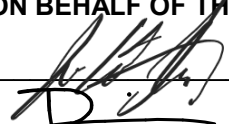
	2022	2021
ASSETS		
CURRENT		
Cash	\$ 141,883	\$ 130,757
Cash - restricted fund	137,735	137,521
Term deposit (Note 4)	10,228	10,139
Accounts receivable	23,920	17,635
Prepaid expenses	17,935	35,198
	331,701	331,250
CAPITAL ASSETS (Note 5)	12,232	15,365
INVESTMENTS - RESTRICTED FUND (Note 6)	99,538	108,849
	\$ 443,471	\$ 455,464
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 31,111	\$ 21,437
Wages and benefits payable	18,993	1,906
Government remittances payable (recoverable)	2,886	(3,784)
Deferred revenue (Note 7)	68,129	19,532
	121,119	39,091
CEBA LOAN (Note 8)	40,000	40,000
DEFERRED CAPITAL REVENUE (Note 7)	5,709	6,423
	166,828	85,514
NET ASSETS		
General fund	39,370	123,580
Restricted fund	237,273	246,370
	276,643	369,950
	\$ 443,471	\$ 455,464

CONTINGENT FUNDING (Note 9)

CONTINGENT LIABILITY (Note 10)

CONTRACTUAL OBLIGATIONS (Note 11)

ON BEHALF OF THE BOARD



Director



Director

See accompanying notes to financial statements

REGINA FOLK FESTIVAL INC.

Statement of Operations Year Ended December 31, 2022

	2022	2021
REVENUES		
<u>Grants/Sponsorships</u>		
Canadian Heritage	\$ 219,750	\$ 152,250
Saskatchewan Arts Board (Note 3)	85,000	85,000
Sponsorships	258,068	93,200
City of Regina	39,714	39,714
WED Project Funding	-	51,311
Tourism Saskatchewan	44,500	15,000
FACTOR	-	5,000
Business for the Arts	3,938	-
Contributed services (Note 2)	116,387	10,000
Human Resource and Skills Development Canada	30,044	13,258
Canada Council for the Arts	100,000	-
	<u>897,401</u>	<u>464,733</u>
<u>Sales</u>		
Tickets	227,684	7,547
Merchandise	20,071	33
Vendor fees	24,591	-
Beverage	55,173	-
RFF after dark	4,921	-
	<u>332,440</u>	<u>7,580</u>
<u>Fundraising and other</u>		
Bingo/nevadas	15,461	15,664
Government pandemic subsidies	-	55,717
Donations and fundraising	19,421	4,807
Investment income and other	(9,097)	4,968
	<u>25,785</u>	<u>81,156</u>
	<u>1,255,626</u>	<u>553,469</u>
EXPENSES		
Salaries and benefits	476,829	387,568
Performance fees	300,574	22,774
Production costs	247,192	48,661
Contributed services (Note 2)	116,387	10,000
Administration	98,661	107,790
Cost of sales	47,220	275
Promotion/marketing	43,918	6,658
Fundraising	18,152	4,268
	<u>1,348,933</u>	<u>587,994</u>
EXCESS OF REVENUES (EXPENSES)	<u>\$ (93,307)</u>	<u>\$ (34,525)</u>

See accompanying notes to financial statements

REGINA FOLK FESTIVAL INC.

Statement of Changes in Net Assets

Year Ended December 31, 2022

	General Fund	Restricted Fund	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 123,580	\$ 246,370	\$ 369,950	\$ 404,475
Excess of revenues (expenses)	(84,210)	(9,097)	(93,307)	(34,525)
NET ASSETS - END OF YEAR	\$ 39,370	\$ 237,273	\$ 276,643	\$ 369,950

See accompanying notes to financial statements

REGINA FOLK FESTIVAL INC.

Statement of Cash Flows Year Ended December 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess of revenues (expenses)	\$ (93,307)	\$ (34,525)
Items not affecting cash:		
Amortization of capital assets	3,133	5,715
Unrealized fair market value adjustment on investments	10,893	(3,798)
Reinvested earnings in investments	(1,674)	(1,134)
Amortized deferred capital funding revenue	(713)	(713)
	<u>(81,668)</u>	<u>(34,455)</u>
Changes in non-cash working capital:		
Accounts receivable	(6,285)	38,293
Accounts payable	9,676	12,244
Deferred revenue	48,597	(11,777)
Prepaid expenses	17,263	(22,937)
Government remittances payable (recoverable)	6,670	(5,572)
Wages and benefits payable	17,087	1,906
	<u>93,008</u>	<u>12,157</u>
Cash flow from (used by) operating activities	<u>11,340</u>	<u>(22,298)</u>
INVESTING ACTIVITY		
Purchase of capital assets	-	(11,538)
Cash flow from (used by) investing activity	<u>-</u>	<u>(11,538)</u>
FINANCING ACTIVITIES		
CEBA Loan	-	-
Capital funding received	-	7,136
Cash flow from financing activities	<u>-</u>	<u>7,136</u>
INCREASE (DECREASE) IN CASH FLOW	11,340	(26,700)
CASH - BEGINNING OF YEAR	268,278	294,978
CASH - END OF YEAR	\$ 279,618	\$ 268,278
CASH CONSISTS OF:		
Cash	\$ 141,883	\$ 130,757
Cash - restricted fund	137,735	137,521
	<u>\$ 279,618</u>	<u>\$ 268,278</u>

See accompanying notes to financial statements

REGINA FOLK FESTIVAL INC.

Notes to Financial Statements

Year Ended December 31, 2022

1. NATURE OF OPERATIONS

The Regina Folk Festival Inc. (RFF) is a registered charity and is incorporated under the Non-Profit Corporation Act of Saskatchewan and is exempt from income taxes under Section 1491(f) of the *Income Tax Act*. The RFF is dedicated to both the presentation of and increased awareness and application of live, high quality and diverse music. The RFF also strives to contribute to the development of the music community both locally and nationally.

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 RFF follows the deferral method of accounting for contributions, including grants and fundraising. Restricted contributions are recognized as revenue in the year the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Under the deferral method, capital funding or donations are recognized as revenue on the same basis as the related acquired asset.

Sales are recognized as revenue in the period the good or service is provided.

Contributed services

Local businesses contribute services to assist the Organization in carrying out its activities. The RFF records contributed goods and services received during the year as revenue with an offsetting expenditure. The reported figures represent the retail value of the contributed goods and services as provided by the supplier.

In addition, a large part of the activities of the Organization is dependent upon volunteer services.

Funds

The RFF has the following funds at yearend:

- a) General fund reports the day-to-day operations of the RFF.
- b) Restricted fund is internally restricted by the board of directors to provide for the future sustainability of the RFF in the event of a change in funding or sponsorship. These funds can only be used upon approval by the Board of Directors.

The Board has established a policy where if the unrestricted fund's surplus is under \$30,000 for the year, 50% of the surplus is to be transferred to the restricted fund. If the surplus is over \$30,000 then the amount transferred is per specific Board motion.

(continues)

REGINA FOLK FESTIVAL INC.

Notes to Financial Statements

Year Ended December 31, 2022

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

Financial instruments policy

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.

Financial assets including cash, term deposits, and accounts receivable are reported at amortized cost. Restricted investments including equity shares and mutual funds are reported at fair market value.

Financial liabilities including accounts payable and accrued liabilities are measured at amortized cost.

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the yearend exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

Capital assets

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

Equipment	10 years	straight-line method
Computer equipment	3 years	straight-line method
Leasehold improvements	5 years	straight-line method

A full year of amortization is taken in the year of acquisition.

3. GRANT FUNDING - SASKATCHEWAN ARTS BOARD

The amount reported in these financial statements as grant revenue from the Saskatchewan Arts Board is made up of a combination of Lottery and non-Lottery funding. This is made possible through the Partnership Agreement between the Saskatchewan Arts Board and SaskCulture Inc., which is the Trustee for the Culture Section of Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation.

Under the terms of this agreement for the applicable period, SaskCulture allocated a specified amount of Lottery funds to the Saskatchewan Arts Board as a portion of the total envelope of funds available for the program(s) through which this grant was adjudicated and approved.

4. TERM DEPOSIT

Term deposit matures May 2023 and earns interest at 1.25% (2021 - matured May 2022 and earned 0.30% interest).

REGINA FOLK FESTIVAL INC.

Notes to Financial Statements Year Ended December 31, 2022

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Equipment	\$ 26,890	\$ 17,263	\$ 9,627	\$ 11,892
Computer equipment	10,469	10,469	-	-
Leasehold improvements	18,231	15,626	2,605	3,473
	<u>\$ 55,590</u>	<u>\$ 43,358</u>	<u>\$ 12,232</u>	<u>\$ 15,365</u>

6. INVESTMENTS - RESTRICTED FUND

	2022	2021
Equity shares	\$ -	\$ 1
Mutual fund	12,466	13,787
	<u>87,072</u>	<u>95,061</u>
	<u>\$ 99,538</u>	<u>\$ 108,849</u>

No separate bank account is held for the Restricted Fund. An apportionment of the bank accounts has been restricted and reported as cash - apportioned representing the Restricted Fund's share of total cash of the RFF.

7. DEFERRED REVENUE

	2022	2021
Ticket sales	\$ 11,629	\$ 12,032
RBC Sponsorship	-	6,000
Winterruption Sponsorship	500	1,500
Saskatchewan Arts Grant	56,000	-
Deferred program funding	68,129	19,532
Deferred capital funding	5,709	6,423
	<u>\$ 73,838</u>	<u>\$ 25,955</u>

8. CANADIAN EMERGENCY BUSINESS ACCOUNT (CEBA) LOAN

To support businesses during the pandemic the Government of Canada introduced the CEBA loan which was available to small businesses prior to June 30, 2021. On January 1, 2023 the outstanding balance on December 31, 2022 converts to a non-revolving term loan. Twenty five percent of the loan balance is forgiven provided the remaining seventy five percent is paid in full by December 31, 2023. Interest begins accruing January 1, 2024 at 5% on the outstanding balance and no interest is charged from the advance date to December 31, 2023. The full balance, including interest, is due by December 31, 2025.

REGINA FOLK FESTIVAL INC.

Notes to Financial Statements Year Ended December 31, 2022

9. CONTINGENT FUNDING

The RFF receives grant funding from various sources that are subject to review subsequent to the reporting period to ensure all conditions were met and whether any funding is required to be returned to the funding agency. The board and management of the RFF are of the opinion that all terms and conditions of all funding revenue has been met and no repayment is expected. In the event that a repayment notice is made by the funding agency the repayment is recorded in the year made known to the RFF.

10. CONTINGENT LIABILITY

In 2020 the Board of Directors terminated an employee for just cause. The former employee has filed a suit against the RFF for insufficient notice period and moral damages and is seeking additional compensation, ranging from \$100,000 to \$180,000. The RFF maintains their position and no amount has been paid, or accrued, as of the audit report date. Pending the outcome of the suit, any amount deemed to be liable will be recorded once it is made known to the RFF.

11. CONTRACTUAL OBLIGATIONS

The RFF has contractual obligations for performers for the 2023 year of \$82,500 (2021 - \$11,750).

The Organization moved to a new office in the prior year and entered into a lease agreement which commenced December 1, 2020 and expires November 30, 2025 with options for renewal. RFF leases the premises under a long term lease that expires on November 30, 2025. Minimum future lease payments on the premises lease are as follows:

2023	\$	22,506
2024		22,506
2025		20,630

12. EMPLOYEE FUTURE BENEFITS

The RFF has made contributions of \$9,325 (2021 - \$6,773) to a defined contribution benefit plan which are expensed in the year.

13. 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 as of December 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Organization does not have sales on account, and receivables generally occur only from sponsors and funding agencies, of which the Organization has many, which reduces the concentration of risk.

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REGINA FOLK FESTIVAL INC.

Notes to Financial Statements Year Ended December 31, 2022

13. FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable. The Organization uses budgetary and program controls to monitor their exposure to this risk.

Currency risk

Currency risk is the risk to the Organization's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. A separate U.S.dollar account is held to facilitate purchases in U.S. dollars in order to offset possible fluctuations in the exchange rate. The Organization is exposed to foreign currency exchange risk at year end on cash of \$26,127 (2021 - \$1,605) held in U.S. dollars.

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. The Organization does not have any debts exposed to fluctuating interest rates and therefore does not have significant exposure to interest rate risk.

14. ALLOCATED COSTS

The RFF has allocated some of the overhead costs between the Concert and Festival activities based on time invested (salaries) and resources consumed (administration). The amounts allocated in the year were:

	<u>2022</u>	<u>2021</u>
Concert Series		
Salaries and benefits	\$ 151,976	\$ 134,161
Administration	32,815	37,296
	<u>184,791</u>	<u>171,457</u>
Folk Festival		
Salaries and benefits	324,853	253,407
Administration	57,971	70,494
	<u>382,824</u>	<u>323,901</u>
	<u>\$ 567,615</u>	<u>\$ 495,358</u>

15. CORRESPONDING FIGURES

The corresponding figures have been reclassified to conform to the current year's presentation which was limited to reporting restricted cash, which was previously reported as Investments - Restricted Fund, as a separate line item on the Statement of Financial Position. There was no impact on previously reported total assets, liabilities, or net assets at December 31, 2021 nor on operations for the year.

REGINA FOLK FESTIVAL INC.

Schedule of Concert Series Operations

(Schedule 1)

Year Ended December 31, 2022

	2022	2021
REVENUES		
Grants/Sponsorships		
Canadian Heritage	\$ 45,000	\$ 68,625
WED Project Funding	-	51,311
Saskatchewan Arts Board (Note 3)	25,000	20,000
City of Regina	9,000	9,000
Sponsorships	1,600	7,000
FACTOR	-	5,000
	<u>80,600</u>	<u>160,936</u>
Sales		
Tickets	22,353	-
	<u>22,353</u>	<u>-</u>
Fundraising and other		
Bingo/nevadas	7,731	7,832
Donations and fundraising	482	164
	<u>8,213</u>	<u>7,996</u>
	<u>111,166</u>	<u>168,932</u>
EXPENSES		
Salaries and benefits	151,976	134,160
Administration	32,815	37,296
Production costs	10,125	8,526
Performance fees	32,812	4,873
Fundraising	3,122	3,543
Promotion/marketing	8,190	2,822
Cost of sales	650	-
	<u>239,690</u>	<u>191,220</u>
EXCESS OF REVENUES (EXPENSES)	<u>\$ (128,524)</u>	<u>\$ (22,288)</u>

See accompanying notes to financial statements

REGINA FOLK FESTIVAL INC.

Schedule of Folk Festival Operations

(Schedule 2)

Year Ended December 31, 2022

	2022	2021
REVENUES		
Grants/Sponsorships		
Canadian Heritage	\$ 174,750	\$ 83,625
Sponsorships	256,468	86,200
Saskatchewan Arts Board (Note 3)	60,000	65,000
City of Regina	30,714	30,714
Tourism Saskatchewan	44,500	15,000
Human Resource and Skills Development Canada	30,044	13,258
Contributed services (Note 2)	116,387	10,000
Business for the Arts	3,938	-
Canada Council for the Arts	100,000	-
	<u>816,801</u>	<u>303,797</u>
Sales		
Tickets	205,331	7,547
Merchandise	20,071	33
Vendor fees	24,591	-
Beverage	55,173	-
RFF after dark	4,921	-
	<u>310,087</u>	<u>7,580</u>
Fundraising and other		
Government pandemic subsidies	-	55,717
Bingo/nevadas	7,731	7,832
Donations and fundraising	18,939	4,642
Investment income and other	(9,097)	4,968
	<u>17,573</u>	<u>73,159</u>
	<u>1,144,461</u>	<u>384,536</u>
EXPENSES		
Salaries and benefits	324,853	253,407
Performance fees	267,762	17,901
Production costs	237,067	40,135
Contributed services (Note 2)	116,387	10,000
Administration	65,846	70,494
Cost of sales	46,569	275
Promotion/marketing	35,728	3,836
Fundraising	15,030	724
	<u>1,109,242</u>	<u>396,772</u>
EXCESS OF REVENUES (EXPENSES)	\$ 35,219	\$ (12,236)

See accompanying notes to financial statements