

Saskatchewan *Heritage* FOUNDATION



2019-2020 Annual Report

ACKNOWLEDGEMENTS

The Board of Directors of the Saskatchewan Heritage Foundation wishes to thank the Minister of Parks, Culture and Sport for the support in achieving the Board's legislated mandate. The assistance and cooperation of colleagues within the ministry is also greatly appreciated.



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Cover Photos:

Saskatchewan Railway Museum—P.J. Kennedy SW of Saskatoon

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LETTER OF TRANSMITTAL

Regina, Saskatchewan
July 3, 2020

To The Honourable Gene Makowsky
Minister of Parks, Culture and Sport
Room 315
Legislative Building
Regina, Saskatchewan S4S 0B3

Dear Sir:

It is my pleasure to submit the Annual Report of the Saskatchewan Heritage Foundation for the year ending March 31, 2020.

Respectfully submitted,

A handwritten signature in dark ink, reading "M. Huntington". The signature is fluid and cursive, with the first letter "M" being large and prominent.

Margaret Huntington, Chairperson



REPORT OF THE MANAGER

It is with great pleasure that I share with you the accomplishments of the Saskatchewan Heritage Foundation over the past year – none of which would have been possible without the incredible dedication of the government-appointed Board of Directors that serve at the pleasure of Honourable Gene Makowsky, as well as the contributions of staff who collectively bring over 40 years of experience working with Saskatchewan communities and their heritage assets.

The Saskatchewan Heritage Foundation is committed to operating in a citizen-focused and cost-effective manner in carrying out its legislated responsibilities, and does so in collaboration with the Ministry of Parks, Culture and Sport and their highly dedicated and responsive personnel. The Saskatchewan Heritage Foundation successfully delivered on a number of strategic priorities articulated in the Saskatchewan Heritage Foundation's Strategic Plan.

Highlights include:

- Delivery of the only remaining heritage conservation and preservation granting program in Saskatchewan;
- Granting a total of \$188,800 to Saskatchewan communities in support of conserving and preserving Saskatchewan heritage assets;
- Provision of advice to the Minister responsible regarding the nomination to name a geographic feature in honour of Colin Maxwell, a former educator, MLA and cabinet minister. The Board voted to recommend naming of a small group of lakes located just north of Spiritwood in honour of Mr. Maxwell. The Minister subsequently approved the naming Maxwell Lakes on December 12, 2019.

Saskatchewan Heritage Foundation contributes to the government's vision of Saskatchewan as a great place to live, work and raise a family.

Respectfully submitted and yours truly in conserving and preserving Saskatchewan's rich heritage assets,



Shari Hildred, Manager



Emmanuel Lutheran Church—RM #189

Brick repointing

Photo credit: Emmanuel Lutheran Church



BOARD OF DIRECTORS (up to January 16, 2020)



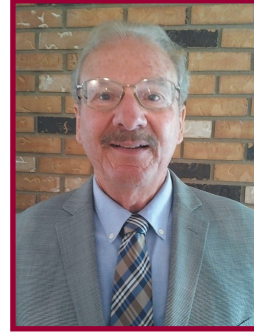
Neil Russell, Chair
Moosomin



Tara-Leigh Heslip,
Vice-Chair, Indian Head



Clark Pepper
Shellbrook



Ronald Lamb
Saskatoon



Paula Acoose
Fort Qu'Appelle
(resigned October/2019)

BOARD OF DIRECTORS (from January 16, 2020)



Margaret Huntington, Chair
Regina



Joshua MacFadden,
Vice-Chair, Regina



Ronald Lamb
Saskatoon



Tracy Morey
Ex-Officio—PCS

As of January 16, 2020 the following individuals were appointed to the Board and serve solely in the capacity of the Heritage Property Review Board, and have no involvement in any other business activities of the Foundation:

Laurie Burrows, Brent Lutz , Julie Mushynsky and LeeAnn Croft.

OPERATIONAL MANAGEMENT SUPPORT



Shari Hildred—Manager



Suzanne Pambrun—Grants/Finance Administrator

INTRODUCTION

The Saskatchewan Heritage Foundation is a Crown Agency with a mandate to invest in the conservation of Saskatchewan's unique history. The Saskatchewan Heritage Foundation's strategic direction is entrusted to a Board of Directors appointed by the Lieutenant Governor in Council and its day-to-day operations are carried out by contract staff engaged by the Board of Directors.

MISSION

To foster conservation of and engagement with the resources that embody Saskatchewan's heritage for the benefit of present and future generations.

VISION

Saskatchewan residents are engaged with, and aware of, the value of heritage in contributing to sustainable communities and a richer sense of place.

APPOINTMENTS OF THE BOARD OF DIRECTORS

The Saskatchewan Heritage Foundation Board of Directors and the members of the Heritage Property Review Board, consists of not less than seven and not more than 15 persons, appointed by the Lieutenant Governor-in-Council and drawn from communities across the province. Members can serve up to three consecutive 2-year terms.

SUMMARY OF ACHIEVEMENTS

GRANT PROGRAMS

Heritage resources require specialized treatment to ensure their long-term conservation. The Saskatchewan Heritage Foundation's programs provide financial assistance to conserve many different kinds of those resources.

PROJECT	REQUESTED	AWARDED
Prud'homme Town Jail	1,972	1,900
Yorkton Brick Mill	25,000	25,000
Bethel Church—RM of Morris	6,743	6,000
Saskatchewan Railway Museum	4,387	4,000
Kerrobert Court House	15,000	12,000
Frenchman Butte Museum	2,788	2,500
Honeywood Heritage Nursery	9,312	9,000
St. Laszlo Church—RM of Bayne	17,350	15,000
All Saints Anglican Church—Watrous	18,100	12,000
St. Chad's—Diocese of Qu'Appelle—Regina	50,000	50,000
Humboldt Post Office	10,000	10,000
C.M. Glascock Building—Maple Creek	20,235	20,000
Imhoff Studio—St. Walburg	1,456	1,400
Smart Block Restoration—Melfort	10,000	10,000
Heritage Saskatchewan —Heritage Fairs	25,000	10,000
TOTALS	\$217,343	\$188,800

The Saskatchewan Heritage Foundation received 22 eligible applications for funding in fiscal 2019-2020 requesting \$392,446 in funding. Fifteen projects were awarded for a total investment of \$188,800.

PAGE OF APPRECIATION

“I want to express our appreciation for SHF’s work. A project like this one may seem quite trivial in the grand scheme of things, but the costs involved are substantial for a very small community with limited resources. The difference between having to raise the full cost of a project or 50% of the cost is huge. It allows projects to go forward that might otherwise get delayed indefinitely. In our case, the contribution allowed us to do this work this year, rather than having to wait another year or two”.

Margret Asmuss—Prud’homme Town Jail

“This project probably wouldn’t have gone forward without the funding from the Saskatchewan Heritage Foundation. These funds were very significant. The contractor that did the work asked about what materials could be used and we had prompt answers and confirmation from the Heritage Foundation in regards to these questions”.

Veronica Smith—Office Clerk—Town of Kerrobert

“The grant funds provided by the Sask Heritage Foundation for a project of this scope are essential in order to maintain the heritage buildings at the nursery. Without this backing other sources of funds would not be offered as readily”.

Judy Harley—Honeywood Heritage Nursery

“Gratitude is hereby expressed to the Saskatchewan Heritage Foundation for its support throughout the application process and for its essential matched funding which enabled the project to move forward.

P.J. Kennedy—Saskatchewan Railway Museum

Streetcar Committee

“With the help of the Saskatchewan Heritage Foundation the entire cost of the project came to a cost level that the museum could afford. Dealing with the Saskatchewan Heritage Foundation was easy and very professionally done. Thank you for your continuing financial help to keep our building looking their best for our community and visitors”.

Tom Hougham—Frenchman Butte Museum Society, Inc.

“Financial assistance from Saskatchewan Heritage allowed the Bethel Historic Society to proceed with this project. I believe the Heritage Foundation’s program application, adjudication and payment processes to be fair. Timely advising of the successful grant application was greatly appreciated”.

Jennifer Stanley, Bethel Historic Society

“The Sask Heritage Foundation is a small foundation with limited funding, so we are very happy that we got that amount”.

Larry Pearen—Yorkton Brick Mill

“On behalf of the Imhoff Heritage Society board of directors and myself, we thank you and the Saskatchewan Heritage Foundation so very much for all the assistance we have received to restore Imhoff’s original studio”.

Phyllis Imhoff



Kerrobert Court House window restoration

Photo credit: Town of Kerrobert



SASKATCHEWAN HERITAGE FOUNDATION
FINANCIAL STATEMENTS
MARCH 31, 2020

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying Financial Statements have been prepared by management of the Saskatchewan Heritage Foundation. They have been prepared in accordance with generally accepted accounting principles in Canada, consistently applied, using management's best estimates and judgements where appropriate. Management is responsible for the reliability and integrity of the Financial Statements and other information contained in this Annual Report.

The Saskatchewan Heritage Foundation's Board of Directors is responsible for overseeing the business affairs of the Foundation and has approved the Financial Statements for the year ending March 31, 2020.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the Financial Statements. The internal controls provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly guarded against unauthorized use and that reliable records are maintained.

The Provincial Auditor of Saskatchewan has audited the Financial Statements. Her report to the Members of the Legislative Assembly, stating the scope of her examination and opinion on the Financial Statements, appears on the next page.



Margaret Huntington
Regina, Saskatchewan
July 3, 2020



Suzanne Pambrun
Grants/Finance Administrator
Regina, Saskatchewan
July 3, 2020

INDEPENDENT AUDITOR'S REPORT



PROVINCIAL AUDITOR
of Saskatchewan

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

Opinion

We have audited the financial statements of the Saskatchewan Heritage Foundation, which comprise the statement of financial position as at March 31, 2020, and the statement of operations and accumulated surplus, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Saskatchewan Heritage Foundation as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Saskatchewan Heritage Foundation'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 Saskatchewan Heritage Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Saskatchewan Heritage Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Saskatchewan Heritage Foundation's internal control.

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www.auditor.sk.ca



PROVINCIAL AUDITOR
of Saskatchewan

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Saskatchewan Heritage Foundation'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 Saskatchewan Heritage Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

Regina, Saskatchewan
July 3, 2020

Judy Ferguson, FCPA, FCA
Provincial Auditor
Office of the Provincial Auditor

SASKATCHEWAN HERITAGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
As at March 31

	<u>2020</u>	<u>2019</u>
Financial Assets:		
Due from General Revenue Fund (Note 3)	\$ 149,326	\$ 186,653
Interest receivable (Note 3)	<u>752</u>	<u>812</u>
	<u>\$ 150,078</u>	<u>\$ 187,465</u>
Liabilities:		
Accounts payable and accrued liabilities	\$ 61	\$ 774
Net financial assets	<u>\$ 150,017</u>	<u>\$ 186,691</u>
Accumulated Surplus (Statement 2)	<u>\$ 150,017</u>	<u>\$ 186,691</u>
Commitments (Note 8)		

(See accompanying notes to the financial statements)

Statement 2

SASKATCHEWAN HERITAGE FOUNDATION
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
For the Year Ended March 31

	<u>2020</u>		<u>2019</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Note 6)		
Revenues:			
Transfer from General Revenue Fund—			
Ministry of Parks, Culture and Sport			
Annual Operating Grant	\$ 300,000	\$ 300,000	\$ 300,000
Interest (Note 3)	<u>3,000</u>	<u>3,056</u>	<u>2,955</u>
	<u>\$ 303,000</u>	<u>\$ 303,056</u>	<u>\$ 302,955</u>
Expenses:			
Heritage properties:			
Claybank Brick Plant (Note 4)	-	(149)	1,984
Grants	200,000	214,118	144,531
Board travel and honoraria	29,000	21,802	18,039
Printing	2,500	1,666	2,358
General operational	<u>109,450</u>	<u>102,293</u>	<u>99,741</u>
	<u>\$ 340,950</u>	<u>\$ 339,730</u>	<u>\$ 266,653</u>
(Deficit)/Surplus for the year	<u>\$ (37,950)</u>	<u>\$(36,674)</u>	<u>\$ 36,302</u>
Accumulated surplus, beginning of year		<u>\$ 186,691</u>	<u>\$ 150,389</u>
Accumulated surplus, end of year (Statement 1)		<u>\$ 150,017</u>	<u>\$ 186,691</u>

(See accompanying notes to the financial statements)

SASKATCHEWAN HERITAGE FOUNDATION
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	<u>2020</u>	<u>2019</u>
Cash flows (used in)/from operating activities:		
Transfers from the Ministry of Parks,		
Culture and Sport	\$ 300,000	\$ 300,000
Interest received	3,116	2,630
Claybank Utilities Refund	149	-
Payments relating to Claybank Brick Plant	-	(1,984)
Payments to recipients of heritage property funding	(214,118)	(144,531)
Payments for board travel and honoraria	(21,802)	(18,039)
Payments to suppliers	<u>(104,672)</u>	<u>(105,731)</u>
Net (Decrease)/Increase in cash	\$ (37,327)	\$ 32,345
Cash and cash equivalents, beginning of year	<u>\$ 186,653</u>	<u>\$ 154,308</u>
Cash and cash equivalents, end of year	<u><u>\$ 149,326</u></u>	<u><u>\$ 186,653</u></u>
Cash and cash equivalents consist of:		
Due from General Revenue Fund	<u>\$ 149,326</u>	<u>\$ 186,653</u>
	<u><u>\$ 149,326</u></u>	<u><u>\$ 186,653</u></u>

(See accompanying notes to the financial statements)

SASKATCHEWAN HERITAGE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2020

1. Authority

The Saskatchewan Heritage Foundation (Foundation) was established under the authority of *The Saskatchewan Heritage Foundation Act* effective February 18, 1991, as amended by *The Saskatchewan Heritage Foundation Amendment Act, 2001*. In June 2010, *The Saskatchewan Heritage Foundation Act* was repealed and its various sections were incorporated, via *The Streamlining Act*, into an amended, and expanded *The Heritage Property Act*. The Foundation works in close consultation with the Ministry of Parks, Culture and Sport. The Ministry may also provide funds to the Foundation for its operations. The Foundation provides financial support to individuals, municipalities, community-based organizations and businesses for various heritage initiatives which research, conserve, develop, interpret and promote Saskatchewan's rich heritage resources.

The Saskatchewan Heritage Foundation Board oversees the Foundation. The Lieutenant Governor-in-Council appoints board members.

2. Significant Accounting Policies

The financial statements are prepared in accordance with Canadian public sector accounting standards. A statement of changes in net financial assets has not been prepared as the information is readily determinable from the other statements. These statements do not present a Statement of Remeasurement Gains and Losses as the Foundation has no remeasurement gains or losses. The following policies are considered significant:

a) Heritage Properties

The cost incurred to restore and develop the Claybank Brick Plant is expensed in the year the services are rendered and/or goods received.

Other heritage projects that the Foundation supports are recorded as an expense when recipients incur eligible expenses for projects approved by the Foundation Board.

Donated heritage properties, materials and services are not recorded.

Heritage properties purchased by the Foundation are expensed when acquired.

b) Revenue

Transfers are recognized as revenue when the transfers are authorized and any eligibility criteria are met. Transfers not recognized as revenue are recorded as deferred revenue.

3. Due From General Revenue Fund

The Foundation's bank accounts are included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan.

The Foundation's earned interest is calculated and paid by the Government's General Revenue Fund on a quarterly basis using the Government's thirty day borrowing rate and the Foundation's average daily bank account balance. The Government's average thirty day borrowing rate for 2020 is 1.72% (2019– 1.54%).

4. Claybank Brick Plant

The Claybank Brick Plant (Plant), including land, was donated to the Foundation in 1992. In 1994, the Plant was designated as a National Historic Site, and as a Provincial Heritage Property in 1998.

Early in 2019-2020 fiscal year, the Foundation Board made the decision not to continue funding Claybank. Since 2019 the Ministry of Parks, Culture and Sport has covered the cost of utilities for the site.

5. Financial Instruments

The Foundation's financial instruments include due from General Revenue Fund, interest receivable, accounts payable and accrued liabilities. The fair value of these instruments approximates carrying value due to their immediate or short-term nature. These instruments have no interest risk, credit risk, liquidity risk or market risk.

6. Budget

The Foundation Board approved the 2019/2020 budget at its April 21, 2019 Board meeting.

7. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies and boards related to the Foundation by virtue of common control by the Government of Saskatchewan. Also, the Foundation is related to non-Crown enterprises that the Government jointly controls.

Routine operating transactions with related parties are recorded at rates charged by those organizations and are settled on normal trade terms.

The Foundation pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other transactions with related parties and amounts due to or from them are described separately in the financial statements and related notes.

8. Commitments

The Foundation has multi-year commitments at year end totaling \$ 42,300 (2019 - \$ 89,735) for various approved heritage projects. The Foundation Board has approved these projects but no monies have been paid or eligible expenses incurred.

9. Covid-19 Pandemic

The COVID-19 pandemic is complex and rapidly evolving. It has caused material disruption to businesses and has resulted in an economic slowdown. The Saskatchewan Heritage Foundation continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential impact on the Saskatchewan Heritage Foundation's financial position and operations.

SUPPLEMENTARY FINANCIAL INFORMATION (UNAUDITED)

Personal Service

Listed are recipients who received payments which total \$2,500 or more.

Recipient	Payment
Frenchman Butte Museum Society	2,500
Ronald Lamb	2,509
Indian Head Grand Theatre	2,840
Clark Pepper	3,179
Neil Russell	3,707
Sask Railroad Historical Association	4,000
TOTAL	\$ 18,735

Payments Over \$5,000

Listed are recipients who received payments which total \$5,000 or more.

Recipient	Payment
Emmanuel Heritage Committee	5,140
Dr. Margaret Kennedy	5,665
Bethel Historical Society	6,000
Honeywood Heritage Nursery Inc.	8,883
Eggerman Contracting Ltd.	10,000
Heritage Saskatchewan	10,138
St. Laszlo Church	11,250
Town of Kerrobert	12,000
R.D. McNaughton Restoration Committee	13,890
Imhoff Heritage Society	15,050
TOTAL	\$ 98,016

Supplier Payments

Listed are recipients who received payments which total \$20,000 or more.

Recipient	Payment
Yorkton Flour Mill	25,000
City of Melfort	30,000
Suzanne Pambrun	46,000
Valmore Consulting	50,000
Lex Iconic Properties Inc.	50,000
TOTAL	\$ 201,000



Community Presentation in Val Marie

Photo credit: Tara Leigh Heslip, Vice-Chair, Saskatchewan Heritage Foundation



2019-2020 ANNUAL REPORT