

THE CARILLON NEWSPAPER INC.
Financial Statements
Year Ended April 30, 2022

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of The Carillon Newspaper Inc.

I have reviewed the accompanying financial statements of The Carillon Newspaper Inc. (the Organization) that comprise the statement of financial position as at April 30, 2022, and the statements of operations and 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 (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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of The Carillon Newspaper Inc. as at April 30, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Other Matter

The financial statements of The Carillon Newspaper Inc. for the year ended April 30, 2021 were reviewed by another practitioner who expressed an unmodified conclusion on those financial statements on August 21, 2020.



Regina, Saskatchewan
April 6, 2023

CHARTERED PROFESSIONAL ACCOUNTANT

THE CARILLON NEWSPAPER INC.

Statement of Financial Position

April 30, 2022

	Operating fund 2022	Capital Fund 2022	Total 2022	Total 2021
ASSETS				
CURRENT				
Cash	\$ 244,870	\$ -	\$ 244,870	\$ 252,162
Accounts receivable	1,075	-	1,075	-
Goods and services tax recoverable	681	-	681	624
	246,626	-	246,626	252,786
CAPITAL ASSETS (Note 3)	-	12,212	12,212	9,356
WEBSITE COSTS	-	517	517	1,148
	\$ 246,626	\$ 12,729	\$ 259,355	\$ 263,290
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable	\$ 5,251	\$ -	\$ 5,251	\$ 5,242
Employee deductions payable	3,798	-	3,798	-
	9,049	-	9,049	5,242
NET ASSETS	237,577	12,729	250,306	258,048
	\$ 246,626	\$ 12,729	\$ 259,355	\$ 263,290

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

THE CARILLON NEWSPAPER INC.
Statement of Operations and Changes in Net Assets
Year Ended April 30, 2022

	Operating fund 2022	Capital Fund 2022	Total 2022	Total 2021
REVENUES				
Student Levy	\$ 163,884	\$ -	\$ 163,884	\$ 174,048
Advertising	2,214	-	2,214	473
	166,098	-	166,098	174,521
EXPENSES				
Salaries and wages	133,658	-	133,658	120,259
Scholarships	-	-	-	25,500
Employee benefits	8,817	-	8,817	7,461
Professional fees	5,830	-	5,830	6,346
Sub-contracts	5,680	-	5,680	4,573
Amortization	-	6,458	6,458	3,449
Office and postage	4,205	-	4,205	3,139
Telephone	2,393	-	2,393	1,928
Amortization of website development costs	-	631	631	1,147
Interest and bank charges	1	-	1	-
Bad debts	-	-	-	442
Travel	17	-	17	-
Publishing	4,806	-	4,806	-
Bank charges	1,344	-	1,344	583
	166,751	7,089	173,840	174,827
NET DEFICIENCY OF REVENUES OVER EXPENSES	(653)	(7,089)	(7,742)	(306)
NET ASSETS - BEGINNING OF YEAR	247,544	10,504	258,048	258,354
	246,891	3,415	250,306	258,048
TRANSFERS BETWEEN FUNDS	(9,314)	9,314	-	-
NET ASSETS - END OF YEAR	\$ 237,577	\$ 12,729	\$ 250,306	\$ 258,048

See notes to financial statements

THE CARILLON NEWSPAPER INC.

Statement of Cash Flows

Year Ended April 30, 2022

	Total 2022	Total 2021
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (7,742)	\$ (306)
Items not affecting cash:		
Amortization	6,458	3,449
Amortization of intangible assets	631	1,147
	<u>(653)</u>	<u>4,290</u>
Changes in non-cash working capital:		
Accounts receivable	(1,075)	1,411
Accounts payable	9	1,086
Goods and services tax payable	(57)	1,227
Employee deductions payable	3,798	-
	<u>2,675</u>	<u>3,724</u>
Cash flow from operating activities	<u>2,022</u>	<u>8,014</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(9,314)</u>	<u>-</u>
INCREASE (DECREASE) IN CASH FLOW	(7,292)	8,014
Cash - beginning of year	<u>252,162</u>	<u>244,148</u>
CASH - END OF YEAR	\$ 244,870	\$ 252,162
CASH CONSISTS OF:		
Cash	<u>\$ 244,870</u>	<u>\$ 252,162</u>

See notes to financial statements

1. PURPOSE OF THE ORGANIZATION

The Carillon Newspaper Inc. (the "organization") is a not-for-profit organization incorporated provincially under the Non-profit Corporations Act of Saskatchewan.

The organization operates to provide a newspaper for the students of the University of Regina.

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 (ASNFPO).

Fund accounting

The Carillon Newspaper Inc. follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

The Capital Fund reports the assets, liabilities, revenues, and expenses related to The Carillon Newspaper Inc.'s capital assets.

Capital assets

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

Computer equipment	30% declining balance method
Computer software	30% declining balance method
Furniture and fixtures	20% declining balance method

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Website development costs

Website development costs are recorded at cost less accumulated amortization and are amortized over the useful lives, using the declining balance method at 50%.

Revenue recognition

The organization recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.
- memberships are charged on an academic year basis

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Net assets

- a) Net assets invested in property and equipment represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with restricted funds.
- b) Internally restricted net assets are funds which have been designated for a specific purpose by the organization's Board of Directors.
- c) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, not of transfers, and are available for general purposes.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	\$ 70,404	\$ 62,591	\$ 7,813	\$ 6,175
Computer software	18,430	17,317	1,113	42
Furniture and fixtures	10,812	7,527	3,285	3,139
	\$ 99,646	\$ 87,435	\$ 12,211	\$ 9,356

4. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of April 30, 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 members and 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 has a significant number of customers which minimizes concentration of credit risk.

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 members and customers and accounts payable.

Additional risk

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