

J. Drummond Accounting

SASKATCHEWAN BISON ASSOCIATION INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

(UNAUDITED)

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REVIEW ENGAGEMENT REPORT

To the Members of
the Saskatchewan Bison Association Inc.

I have reviewed the accompanying financial statements of Saskatchewan Bison Association Inc. that comprise the statement of operations as at December 31, 2017 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 non-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.

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.

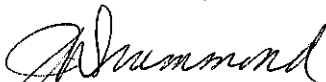
A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical 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 these financial statements do not present fairly, in all material respects, the financial position of Saskatchewan Bison Association Inc. as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Quill Lake, Saskatchewan
February 23, 2018


Chartered Professional Accountant

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SASKATCHEWAN BISON ASSOCIATION INC.
 STATEMENT OF FINANCIAL POSITION
 DECEMBER 31, 2017
 (Unaudited)

	2017	2016
ASSETS		
CURRENT ASSETS		
Bank -chequing	\$ 45,311	\$ 30,820
Bank -investment	30,527	61,043
Accounts Receivable	3,825	150
Accrued Interest Receivable	706	-
Prepaid expenses	1,975	13,125
GST Receivable	<u>937</u>	<u>1,240</u>
	83,281	106,378
INVESTMENT – TERM DEPOSIT	30,527	-
FIXED ASSETS (Note 2)	<u>382</u>	<u>477</u>
	<u>\$ 114,190</u>	<u>\$106,855</u>
 LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	\$ <u>88</u>	\$ <u>1,472</u>
 NET ASSETS		
NET ASSETS	<u>114,102</u>	<u>105,383</u>
	<u>\$ 114,190</u>	<u>\$106,855</u>

Approved by the Board:

 Director

 Director

SASKATCHEWAN BISON ASSOCIATION INC.
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Unaudited)

	2017	2016
INCOME		
Government Grants	\$ 33,500	\$ 29,000
Industry Development Fees	19,890	15,312
Bull Draft	31,687	13,725
Investment Income	718	355
Memberships	22,125	20,602
Other Income	4,206	1,623
Show and Sale	-	7,890
Field Day/Round-up	-	2,156
	<u>112,126</u>	<u>90,663</u>
EXPENSES		
Benchmarking Project	30,350	33,264
Bank Charges	232	210
Board Expenses	3,000	3,124
Bull Draft	26,292	10,268
Contract Labour	19,363	18,202
Depreciation	95	119
Industry Development	3,244	4,323
Industry and Producer Meetings	7,048	14,051
Insurance	3,313	2,795
Memberships and registration fees	774	635
Office Expense	1,469	14
Other Sponsorships	6,069	-
Show and Sale	-	1,500
Promotion	-	2,081
Professional fees	1,519	1,260
Publications and Subscriptions	394	600
Telephone	245	264
	<u>103,407</u>	<u>92,710</u>
EXCESS OF EXPENDITURES OVER REVENUES	8,719	(2,047)
NET ASSETS, Beginning of the year	<u>105,383</u>	<u>107,430</u>
NET ASSETS, End of the year	\$ <u>114,102</u>	\$ <u>105,383</u>

SASKATCHEWAN BISON ASSOCIATION INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017
(Unaudited)

	2017	2016
Cash Flows From Operating Activities:		
Cash from government grants	\$ 33,500	\$ 54,155
Cash receipts from members and others	75,473	62,631
Cash paid to suppliers	(94,483)	(108,534)
Interest received	<u>12</u>	<u>355</u>
Cash Flows from Operating Activities	<u>14,502</u>	<u>8,607</u>
Cash Flows from Investing Activities:		
Cash invested in long-term GIC	<u>(30,527)</u>	-
Cash Flows for Investing Activities	<u>(30,527)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(16,025)	(8,607)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<u>91,863</u>	<u>83,256</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>\$ 75,838</u>	<u>\$ 91,863</u>

Cash and cash equivalents are comprised of cash balance with the bank and short term investments maturing within three months.

SASKATCHEWAN BISON ASSOCIATION INC.
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (Unaudited)

1. NATURE OF OPERATIONS

The Saskatchewan Bison Association Inc. is a non-profit organization which was incorporated under the Non-profit Corporations Act of Saskatchewan on October 27, 1993. The Saskatchewan Bison Association Inc. (SBA) promotes the bison industry and bison products in Saskatchewan.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following accounting policies:

Revenue Recognition

Memberships - Annual membership fees are recognized as revenue in the year to which they relate.

Government Grants and Contributions -The SBA 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 are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Fixed Assets.

Fixed assets are recorded at cost. Depreciation is calculated on the diminishing balance method at a rate of 20% per year.

Financial Instruments.

The company initially measures its financial assets and liabilities at fair value.

The company subsequently measures its financial assets and liabilities at cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value.

Allocation of Expenses

SBA records a number of its expenses by function: Benchmarking Project, Bull Draft, Industry Development and Industry and Producer Meetings.

2. FIXED ASSETS

	<u>December 31</u> <u>2017</u>		<u>December 31</u> <u>2016</u>	
	<u>Cost</u>	<u>Accumulated</u> <u>Depreciation</u>	<u>Net Book</u> <u>Value</u>	<u>Net Book</u> <u>Value</u>
Office Equipment	\$15,347	\$ 15,006	\$ 341	\$ 426
Other Equipment	<u>3,133</u>	<u>3,092</u>	<u>41</u>	<u>51</u>
	<u>\$18,480</u>	<u>\$ 18,098</u>	<u>\$ 382</u>	<u>\$ 477</u>

SASKATCHEWAN BISON ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Unaudited)

3. COMMITMENTS

No disclosure has been made for future expenses the association has committed to or for funding expected to be received.

4. BOARD OF DIRECTORS

The members of the Board of Directors of the Saskatchewan Bison Association are elected but serve on a volunteer basis. Except for the chairman, they receive no honorarium or other payments for their time and they pay their own travel and telephone costs for Saskatchewan Bison Association related activities.

5. FINANCIAL INSTRUMENTS

Financial Risks

The company is exposed to various risks through its financial instruments.

Currency Risk

Currency risk is the risk that the fair value of a financial instrument will fluctuate because of changes in foreign exchange rates. Approximately 3% of transactions are in foreign currencies.

Credit Risk

SBA is exposed to credit risk with respect to accounts receivable.

Interest Rate Risk

SBA is exposed in interest rate risk on its fixed rate financial instruments, which consist solely of term deposits.

6. SIGNIFICANT INFLUENCE

SBA utilizes the staff and office resources of the Canadian Bison Association. The SBA paid \$16,200 in administration expenses to the Canadian Bison Association, as well as separate payments totalling \$16,816 for contract work performed by certain staff of the Canadian Bison Association during the year.