



Magazine BC

association of

2020/2021
ANNUAL REPORT



MAGSBC

The Magazine Association of BC (MagsBC) was founded in 1993 to represent, connect and promote the British Columbia magazine industry.

MagsBC is a member-run organization that unites a diverse network of member magazines and professionals, and develops strategic partnerships, projects and programs that strengthen our industry.

Our membership consists of print and online magazines headquartered in BC, ancillary companies, partner organizations, and individuals.

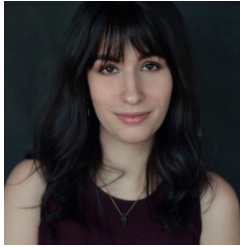
Through our programs and services, MagsBC strives for greater diversity, inclusion and equity in our industry. See our Commitment to Inclusivity webpage on magsbc.com for more information.

We acknowledge that the Magazine Association of BC carries out its work on the unceded territory of the Coast Salish Peoples, including the territories of the xʷməθkwəyəm (Musqueam), Skwxwú7mesh (Squamish), and Səl̓íl̓wətaʔ/Selilwitulh (Tsleil-Waututh) First Nations.

THANK YOU TO OUR FUNDERS AND SPONSORS



LETTER FROM THE PRESIDENT



Dear members,

It can hardly be overemphasized: the past year has been difficult for our industry. With economic and personal stress due to COVID-19, and continued racial injustices happening worldwide and in our own province, it has been a time for tough but important conversations. But, as magazine publishers, we understand the power of community, as well as the importance of giving a platform to — and amplifying — the many voices and stories within our communities. I said in my letter last year that I was confident that against the backdrop of hardship, the importance and vitality of our industry will only become stronger, and I still believe that to be true.

In 2020-2021, we proudly welcomed new members to the association, representing a diversity of publishing interests and a passion for their communities. Additionally, we assisted our members as they navigated new funding opportunities and ways of pivoting and innovating their brands. This assistance included hosting workshops and Q&As; providing professional development opportunities; advocating with funders and governments; implementing industry surveys; undertaking important research; and starting our Senior Staff and Publishers Roundtable, which has met three times since October and provided us with fantastic insight into the needs of our members, as well as opportunities within our sector.

Our member magazines received prestigious award nominations, including for the National Magazine Awards and the Journey Prize, and continue to remain important parts of our national newsstands. Funding bodies and ministries invited representatives from our member magazines to weigh in on important discussions on ways they can better support us as the industry recovers from COVID-19, as well as continue to help us grow. We're endlessly grateful for the support of the Government of Canada for the Special Measures for Journalism emergency funding and the Aid to Publishers top-up, as well as to the BC Arts Council for their Arts & Culture Resiliency Supplement, all of which helped many of our members immensely.

Looking forward to 2021, we remain dedicated to building a safer, healthier industry with our work on inclusivity, including anti-harassment initiatives, better diversity in publishing, and accessibility. In January 2021, alongside our colleagues at the Alberta Magazine Publishers Association, we launched a Canada-wide survey on diversity, inclusion and equity in the magazine industry, as well as co-hosting a workshop on Diversity, Equity and Inclusion Training for Magazine Media Professionals with Elise Ahenkorah. Additionally, our board has drafted a proposed Code of Conduct for all MagsBC events for our membership's review and feedback at our next AGM.

As I said last year, publishing is difficult, often under-funded, and under-appreciated work, and the stresses of 2020-2021 sometimes made that feel even more so. However, I continue to be heartened by the commitment, innovation, and sense of accountability and community I see within our industry. Thank you all for your continued determination and hard work.

Warmly,
Jessica

A handwritten signature in dark ink, appearing to read 'Jessica Key'.

Jessica Key
President, Board of Directors
Magazine Association of BC



Powell River Living staff (left to right) Isabelle Southcott, Sean Percy, Suzi Wiebe, Pieta Woolley, and Alena Devlin. Decked out in fabric printed with select covers from the past 15 years.

Here Magazine staff (left to right) Mary Kaye Abellana, Kareece Whittle-Brown, Fiona Brambles, and Alberto Cortes with the Dream issue.

Ricepaper group (left to right) Todd Wong, Marlene Enns, Karen Tam (curator) and Eric Li at Whose Chinatown Exhibition launch, Griffin Art Project, North Vancouver.



COVID-19

Need we say more?

New & Returning Members Since Our Last Annual Report

1. Country Life in BC
2. Dementia Connections
3. Digits & Threads
4. FestivalSeekers
5. INSPIRED 55+ Lifestyle Magazine
6. Preview: Guide to Galleries + Museums
7. Saving Earth Magazine
8. SnowSeekers
9. TAKE 5
10. ZenSeekers

The State of Diversity, Inclusion and Equity in the Canadian Magazine Industry

In late January, the **Alberta Magazine Publishers Association (AMPA)** and **MagsBC** launched a Canada-wide **survey** on diversity, inclusion and equity in the magazine industry.

The survey sought feedback in English and French from magazine publishing companies and individuals across Canada, including publishers, staff, and freelancers.

The goal of the survey was to gather information on:

- How diverse and inclusive magazine organizations and the magazine industry are
- The challenges these organizations face in becoming more diverse, inclusive and equitable
- The strategies that organizations have implemented to become more diverse, inclusive and equitable and to ensure that content represents diverse voices and perspectives.

Magazines Canada and AQEM assisted with promoting the survey.

Zenobia Jamal of Zenev + Associates we hired to help with the survey and analyze the results. Her report will be out by early July.

Emergency / Funding Workshops

With the assistance of Creative BC, the association arranged with grant writer Allyson McGrane of Left Right Minds to present the following webinars and help BC magazines to apply for funding:



July 14-16, 2020: Special Measures for Journalism. The first webinar on the 14th featured David Harkness, Manager, Collective Initiatives and Business Innovation, Canada Periodical Fund.

Our executive director also made 160 phone calls, sent numerous emails, mailed postcards (designed by Gerilee McBride, (1)) and arranged for 44 one-on-one free grant consultations with Allyson to help BC magazine publishers find out about and apply for this funding.

Nov. 16-17, 2020: CPF Aid To Publishers Funding Workshops, the first for print magazines, the second for digital periodicals, based on Karine Morin's presentation at MagsWest in September.

March 12, 2021: Small and Medium Sized (SMS) Business Recovery Grant Workshop (BC).

Sylvia and Allyson also published CPF SMJ, CPF ATP, and SMS Business Recovery Q&A guides in our News blog, and Allyson offered CPF ATP grant assistance to MagsBC members at a significant discount.

All CPF guides were reviewed by their staff for accuracy before being published.

"I feel MagsBC has my back. I truly have gained great respect for the dedication and hard work I see come from this office. It has been extremely helpful and supportive for myself as a small publisher."

—TeLeni Koochin, Publisher, Dream Wave Publishing Inc

Professional Development

February 25, 2021: Report on Digital Content Delivery Systems with Jessica Fabrizius (2) as reported on page 6.

March 30-April 13, 2021: "Doctor" sessions - one-on-one 45-minute professional development consultations with Allyson McGrane — **Grant Writing and Business Planning**, Patrick Sauriol (3) — **Digital Marketing**, and Lisa Manfield (4) — **Online Engagement and Publishing**. Participants found the sessions incredibly useful, as the "doctors" focused on offering advice on their specific needs.

April 21, 2021: Diversity, Equity & Inclusion Training for Magazine Media Professionals with Elise Ahenkorah (in partnership with AMPA). Elise (5) provided practical tips, information and guidelines to help magazines become more diverse and inclusive.

All of the above was funded by the Government of Canada and Creative BC.



Making the Most of the Digital Leap Forward

Identifying Digital Content Delivery Systems That Effectively Support Magazine Publishing in 2021

“The team at MagsBC has always been and continues to be attuned to the precise needs of the magazine industry and works collaboratively with publishers to ensure that the magazine industry flourishes, even in these difficult times.”

*—Richard Olafson,
The Pacific Rim
Review of Books*

BC Magazine Publishers and Senior Staff Roundtable

The Roundtable has met three times since October, with participants sharing their concerns, challenges and innovative practices on various topics with others and recommending professional development programming to the executive director.

Participants are new and experienced publishers from all over BC, from Powell River to Enderby to Victoria, who help each other overcome obstacles and think in new ways.

If you are interested in joining the Roundtable, please contact MagsBC Board member and meeting lead Shaleeta Harrison at SHarrison@bcitsa.ca

Advocacy

MagsBC board president Jessica Key, treasurer Felice Bisby and/or executive director Sylvia Skene have all been involved in meetings with staff and officers at Creative BC, BC Tourism, Arts and Culture, Creative Sector Branch, Canadian Heritage (especially Dave Harkness, Harold Boies and others at the Canada Periodical Fund), and other organizations.

Melanie Rutledge, executive director, Magazines Canada has spearheaded many federal advocacy efforts over the past year, supported by MagsBC, Nicolas Rondeau Lapierre at AQEM and Suzanne Trudel at AMPA.

Sylvia Skene contributed to Creative BC's and Notio Media's Creative Industries Economic Measurement Research. This research can be found in their 2019/2020 Impact Report at creativebc.com under About Us > Research + Reports.

Making the Most of the Digital Leap Forward

The association hired researcher Jessica Fabrizius to update and expand her 2018 report on digital content delivery systems. Lindsay Stone (p. 7) reviewed the systems' user experience and graphic designer Jeff Kulak did the design and layout of the report.

Included in this report are reviews from both a publisher and a reader perspective on Issuu, ZINIO, Magzter, Mag+, 3D Issue, Joomag, MagLoft, FlipHTML5, Readz, Zmags, PaperLit, PressReader, and Simplebooklet. The report also lists standard features, and prices if available, and makes recommendations for various types of magazines.

1

The Magazine Association of BC
 Welcomes You to the
 Wonderful World of BC
 Magazines

See under our website's News blog for more information and a link to the May 4, 2021 report. Funded by the Government of Canada.

Virtual Presentation at Creative Industries Week, April 12-16, 2021

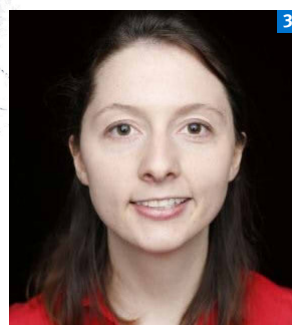
Executive Director Sylvia Skene created a slideshow video (1) with covers of all member magazines and a quiz about our industry for a virtual Creative Industries Showcase presentation April 15. Visit our channel at youtube.com/user/MagazinesBC to view it.

Sylvia also delivered over a hundred member magazines with handouts on our industry to Creative BC for goody bags with other creative industry giveaways for BC MLAs.

Many member magazines shared digital access to recent issues so that MLAs and others could read our great content during this week. Most can still be found in our member listings.

“MagsBC's introduction of available grants to our publication and their assistance with filing is the sole reason we survived through 2020.”

*—Mountain
 Sledder
 Snowmobile
 Magazine*



Library Technician Practicum Students

MagsBC hosted three great Langara College library and information technology practicum students, Lindsay Stone (2), Kathryn Breakell (3), and Rachel Lin (4). These students contributed 60 hours or more each to such tasks as:

- Adding SEO tags to blog posts and other content
- Investigating and summarizing SEO strategies and select WordPress functions
- Checking links and adding to our Resources sections
- Updating member listings
- Creating a list of possible partner organizations
- Developing a podcast manual
- Researching and editing hundreds of records in our BC Magazines list and adding genre tags and keywords.
- Sorting and adding to our COVID-19 blog post of funding programs and other resources.

If anyone is interested in hosting a library technician practicum student to do similar kinds of work or other work related to the curriculum, please contact Fiona Hunt, Department Chair, Library and Information Technology Program, Langara College fhunt@langara.ca.

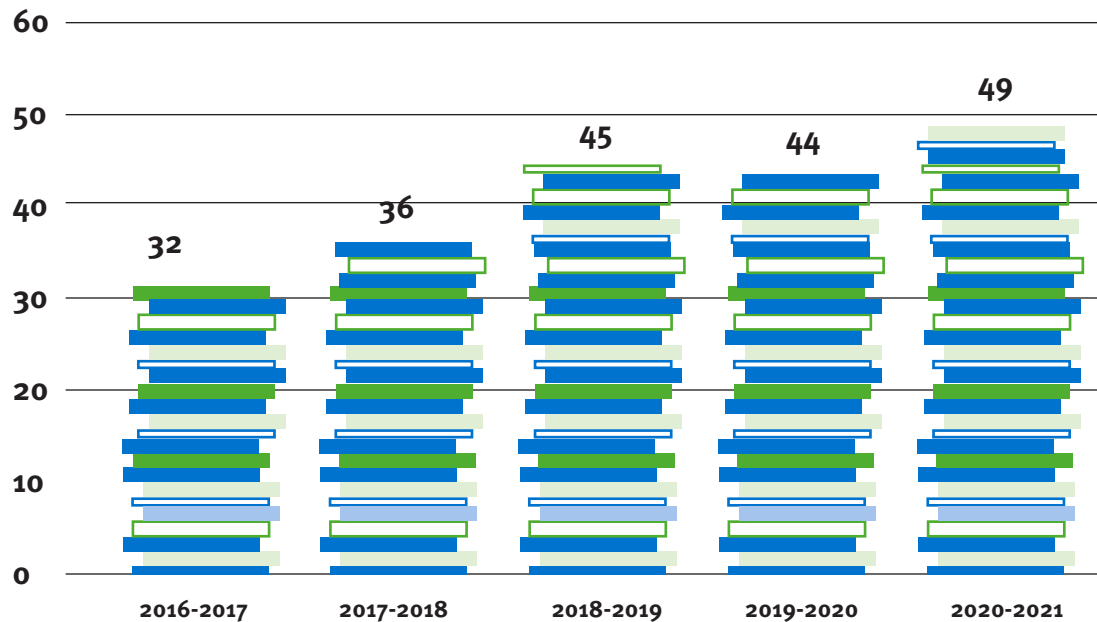
Financial difficulties in 2015-2016 meant fewer programs and services and increased dues, which caused many magazines to withdraw their membership.

Over the last five years, MagsBC has made efforts to recruit and retain members by offering professional development and programs and services tailored to support a variety of BC magazines.

"I appreciate all the support provided by MagsBC particularly this past year when we've been so isolated because of COVID. The opportunities to connect with others in the industry has been invaluable and the support provided in applying for a grant was very much appreciated!" -

-Isabelle Southcott, Publisher, Powell River Living

Growth of Full Magazine Members, 2016-2021



Proportion of **\$45-million** Canadian Heritage Special Measures for Journalism emergency funding received by 186 BC magazines, community newspapers and digital periodicals.

(Source: Lora McKay, Director, Creative Sector Policy, Creative Sector Branch, BC Ministry of Tourism, Arts and Culture, Oct. 27/20 email.)

32%
\$14.6 million

2021 January Survey – BC Magazine Industry

Revenues

About 64% of respondents reported a decrease in their advertising sales in 2020, followed by 54% seeing decreased event revenues and 43% decreased newsstand sales.

About 65% reported receiving increased grant funding in 2020. A few magazines also saw increases in subscription sales and donations.

Current and future prospects

About 10% of respondents experienced growth in 2020 and expect it to continue, with another 14% anticipating a full recovery. About 48% feel they will recover, but that it will take more than a year.

About 21% anticipate only a partial recovery with long-term negative consequences, and 7% were at risk of shuttering.

BC Magazines

Up to 20% of magazines published in BC may have shuttered between April 2020 and May 2021.

According to our research, about 27 BC magazine titles have been confirmed as closed and another 34 may have closed, totalling up to 61 titles out of 310 that we noted as likely still publishing in March 2020.

The Magazine Publishing Industry Contributes

\$132 million in total GDP

\$153 million in direct output

TO BC'S ECONOMY

(Source: Creative BC's 2019/2020 Impact Report.)

MAGAZINES WEST 2020

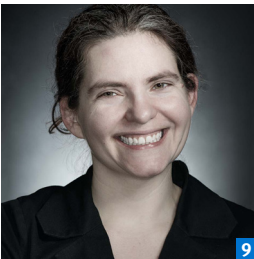
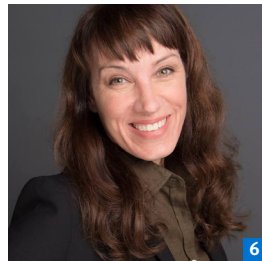
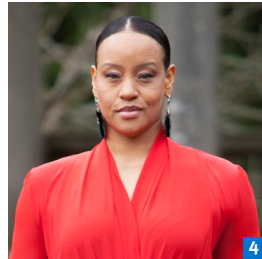
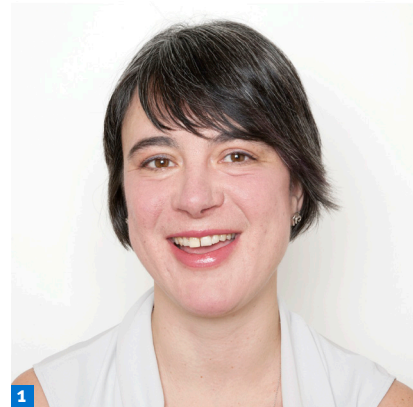
September 14 to 25

“Well done. Kudos for pivoting online after having to close down the originally scheduled MagsWest.”

“Really appreciated the Zoom format - otherwise I would not have been able to attend.”

“This is all new, so I think it is terrific that you are still reaching out.”

—attendees



Postponed from March to September, our conference featured a keynote by Erin Millar, founder and CEO of Discourse Media, six webinars, four revenue diversity doctor sessions, one workshop, and an update on changes to the Canada Periodical Fund's Aid To Publishers funding.

Guest speakers included: respected data journalist David McKie (2); Here Magazine's CEO Fiona Bramble (3) and editor Kareece Whittle Brown (4); Jason Maghanoy (5), head of development, St. Joseph Media; freelancer and broadcaster Jennifer Van Evra (6); Stacey McLachlan (7), writer and editor, Canada Wide Media; Patti Sonntag (8), founder and director of the Institute for Investigative Journalism; Karine Morin (not pictured), manager, Aid To Publishers, Canada Periodical Fund and grant writer Allyson McGrane (9) of Left Right Minds.

Our attendance at this conference was

17%↑

higher than in 2017

35%↑

higher than in 2019

Returning to the 90-100 average that we saw in 2015 and 2016.

Financial Statements

The British Columbia Association of Magazine
Publishers

December 31, 2020

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Independent Practitioner's Review Engagement Report

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To the Directors of
The British Columbia Association of Magazine Publishers

We have reviewed the accompanying financial statements of The British Columbia Association of Magazine Publishers that comprise the statement of financial position as at December 31, 2020, and the statements of operations and changes in fund balance 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.

Practitioner's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us 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, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of The British Columbia Association of Magazine Publishers as at December 31, 2020, 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.

Independent Practitioner's Review Engagement Report (continued)

Emphasis of matter

Without qualifying our conclusion, we draw attention to Note 2 in the financial statements, which indicates that The British Columbia Association of Magazine Publishers adopted Canadian accounting standards for not-for-profit organizations on January 1, 2020 with a transition date of January 1, 2019. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statement of financial position as at December 31, 2019 and January 1, 2019, and the statements of operations and changes in fund balance and cash flows for the year ended December 31, 2019 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is neither audited nor reviewed.

Report on other legal and regulatory requirements

As required by the Societies Act of British Columbia, we report that nothing has come to our attention that causes us to believe that these financial statements were not prepared on a basis consistent with that applied in preparing the financial statements of the preceding year.

Vancouver, Canada
June 22, 2021

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

The British Columbia Association of Magazine Publishers

Statement of Operations and Changes in Fund Balance

Year ended December 31

2020

2019

Revenues

Earned revenue	\$ 17,537	\$ 15,099
Public sector revenue	117,077	189,521
In-kind revenue (Note 5)	40,605	102,224
	<u>175,219</u>	<u>306,844</u>

Expenses

Accounting and legal	8,172	3,802
Advertising and promotion	10,990	66,249
Bad debts	75	1,094
Computer expense	1,910	1,226
Insurance	2,684	3,218
Interest and bank charges	1,421	660
Internship subsidy expense	39,717	97,965
Office and administration	4,976	25,168
Professional development	-	9,785
Professional fees	95,762	83,739
Rent	615	713
Travel	8,299	15,957
	<u>174,621</u>	<u>309,576</u>

Excess (deficiency) of revenues over expenses **598** (2,732)

Deficiency, beginning of year **(14,314)** (11,582)

Deficiency, end of year **\$ (13,716)** \$ (14,314)

The British Columbia Association of Magazine Publishers

Statement of Financial Position

December 31	2020	2019	January 1, 2019
Assets			
Current			
Cash	\$ 811	\$ 34,161	\$ 18,316
Accounts receivable	16,263	9,257	12,911
Prepaid expenses	<u>728</u>	<u>-</u>	<u>2,192</u>
	17,802	43,418	33,419
Long-term			
Computer equipment (Note 7)	<u>1,653</u>	<u>2,067</u>	<u>2,615</u>
	<u>\$ 19,455</u>	<u>\$ 45,485</u>	<u>\$ 36,034</u>
Liabilities			
Current			
Accounts payable	\$ 19,980	\$ 1,444	\$ 11,781
Deferred revenue (Note 8)	<u>13,191</u>	<u>58,355</u>	<u>35,835</u>
	33,171	59,799	47,616
Deficiency	<u>(13,716)</u>	<u>(14,314)</u>	<u>(11,582)</u>
	<u>\$ 19,455</u>	<u>\$ 45,485</u>	<u>\$ 36,034</u>

On behalf of the board



Member

The British Columbia Association of Magazine Publishers

Statement of Cash Flows

Year ended December 31

2020

2019

Increase (decrease) in cash

Operating

Excess (deficiency) of revenues over expenses	\$ 598	\$ (2,732)
Item not affecting cash		
Amortization	414	517
	1,012	(2,215)
Change in non-cash working capital items		
Accounts receivable	(7,006)	3,654
Prepaid expenses	(728)	2,192
Accounts payable	18,536	(10,337)
Deferred revenue (Note 8)	(45,164)	22,520
	(33,350)	15,814

Investing

Proceeds on disposal of computer equipment	-	31
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(Decrease) increase in cash (33,350) 15,845

Cash

Beginning of year	34,161	18,316
End of year	\$ 811	\$ 34,161

The British Columbia Association of Magazine Publishers

Notes to the Financial Statements

December 31, 2020

1. Nature of operations

The British Columbia Association of Magazine Publishers (dba Magazine Association of BC) was founded in 1993 as a Society under the Society Act of the Province of British Columbia. The purpose of this society is to act as a liaison between British Columbian magazine publishers, government and other interested parties with the purpose of promoting and enhancing magazines that are primarily owned by British Columbians; to design and disseminate educational programs and materials that advance knowledge and skills related to magazine publishing; and to showcase Canadian and, more specifically, British Columbian culture through its representation in magazines. The activities of the Society will be carried on without purpose of gain for its members and any income, profits or other accretions to the Society will be used in promoting the purposes of the Society.

2. First time adoption

These financial statements are the Society's first financial statements prepared using ASNPO. The date of transition to ASNPO is January 1, 2019. The accounting policies presented in Note 4 to the financial statements were used to prepare the financial statements for the year ended December 31, 2020 and the opening statement of financial position as at the date of transition.

The transition to ASNPO did not result in any adjustments to the Statement of Operations, Statement of Fund Balance, Statement of Financial Position or Statement of Cash Flows.

Section 1501 First-time Adoption by Not-for-Profit Organizations contains optional exemptions to full retrospective application of ASNPO which the Organization may use upon transition. The Society has not elected the use of any exemptions at the date of transition to ASNPO.

3. Impacts of COVID-19

In 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. In response to the pandemic, governments of different countries, including Canada, adopted different measures which includes, among others, physical distance regulations and closure of international borders which limited the Society's ability to host scheduled in person events. The Society continues to receive grants subsequent to the end of the reporting period, and has adapted to operating virtually to adhere to physical distancing regulations. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and operations are not known at this time. Management is closely monitoring the evolving situation and taking measures to mitigate the potential negative impacts to the Society.

In 2020, the Society did not receive any COVID-19 support from the Government of Canada.

4. Significant accounting policies

Basis of presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

The British Columbia Association of Magazine Publishers

Notes to the Financial Statements

December 31, 2020

4. Significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, cash on deposit, and short-term deposits which have maturity dates of less than 90 days in the future, net of cheques issued and outstanding at the reporting date.

Equipment

Purchased equipment with the cost of over \$500 are initially measured at cost and subsequently measured at cost less accumulated amortization. Amortization is calculated on a declining balance basis over the estimated useful life of the underlying asset. The amortization rate used for computer equipment is 20%.

Revenue recognition

The Society accounts for revenue using the deferral method. Under this method, externally restricted revenues are recognized as revenue in the period in which the related expenses are incurred, so if they relate to a future period they are deferred and recorded as a liability on the statement of financial position until recognition as revenue is appropriate.

The accounting methodology for various types of revenue the Society receives is as follows:

Earned revenues are recognized when persuasive evidence of an arrangement exists and when an amount is received or receivable, the amount to be received can be reasonably estimated and collection is reasonably assured.

Public sector revenues are recognized as follows:

Unrestricted funds are recorded as revenue when pledged or awarded if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted funds are deferred and recognized as revenue in the year which the related expenses are incurred or the year in which the restrictions are met.

Contributions of services, assets and supplies that would otherwise have been purchased are recorded at fair value at the date of contribution, provided a fair value can be reasonably determined.

Use of estimates

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 the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Management reviews all significant carrying amounts affecting its financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Management believes that the estimates used in preparing its financial statements are reasonable and prudent, however actual results could differ from these estimates.

The British Columbia Association of Magazine Publishers

Notes to the Financial Statements

December 31, 2020

5. In kind revenue

Contribution of assets, supplies and services that would otherwise have been purchased are recorded in the financial statements at fair value on the date of the donation. In 2020, these contributions consisted of:

	<u>2020</u>	<u>2019</u>
Advertising	\$ 3,319	\$ 57,129
Expert consultant	340	-
Magazine member contributions	18,837	39,920
Volunteer hours	<u>18,109</u>	<u>5,175</u>
	<u>\$ 40,605</u>	<u>\$ 102,224</u>

Volunteers contribute a significant amount of time each year to assist the Society in carrying out its programs and services. Given that the hourly salary rate for each job can be reasonably determined, these contributed services are recognized in the financial statements at fair market value.

6. Director and management remuneration

The Society pays no remuneration to its members of board of directors and there were no employees or contractors who were paid above \$75,000 during 2020.

7. Computer equipment

7. Computer equipment			2020	2019
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 9,654	\$ 8,001	\$ 1,653	\$ 2,067

8. Deferred revenue

The Society received funds in advance of the year-end which are designated for expenditures to be incurred during the forthcoming fiscal year, as follows:

	<u>2020</u>	<u>2019</u>
Creative BC	\$ 13,191	\$ -
Canada Periodical Fund	-	58,355
	<u>\$ 13,191</u>	<u>\$ 58,355</u>

The British Columbia Association of Magazine Publishers

Notes to the Financial Statements

December 31, 2020

8. Deferred revenue (continued)

	Balance, beginning of year	Deferred revenue received during the year	Amounts recognized as revenue during the year	Total
Deferred revenue	\$ 58,355	\$ 13,191	\$ (58,355)	\$ 13,191

9. Economic dependence

The Society is dependent on funding from government organizations for its continued operations as 65.79% (2019 - 78.06%) of its operating funds in the year ended December 31, 2020 were received in the form of various government grants. Any significant decline in government funding would consequently have a serious impact on the continued operations of the Society.

Management has made its assessment and concluded that there is no issue regarding the Society's ability to continue as a going concern based on the assumption that the current funding levels are maintained and any committed additional future funding is received. If there are declines in funding, expenditures will be adjusted to match committed funding.

10. Financial instruments

The Society's financial instruments consist of cash, cash equivalents, accounts receivable, accounts payable.

(a) Credit risk

Credit risk is the risk that the Society will incur a financial loss due to the failure by its debtors to meet their contractual obligations. The organization's main credit risks relate to its accounts receivable and cash. It is management's opinion that the Society is not exposed to significant risk regarding its accounts receivable as its accounts receivable consist of amounts due from government agencies. The Society has recognized a minimal amount of \$75 bad debts (2019 - \$1,094) in the 2020 fiscal year.

(b) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting the obligations associated with its financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable. It is management's opinion that the Society maintains adequate levels of working capital to ensure all of its obligations can be met when they fall due.

OUR MEMBERS

Asparagus Magazine	Here Magazine	Saving Earth Magazine
BAZOOF!	INSPIRED 55+ Lifestyle Magazine	SnowSeekers
BC Broker	Island Parent	Spruce
British Columbia History	K: Magazine	subTerrain
Calibre: The Canadian Firearm Magazine	Langara Journalism Review	TAKE 5
Canada's National Observer	LINK Magazine	Tow Canada
Canadian Aviator	Loose Lips Magazine	Vancouver Magazine
The Capilano Review	The Malahat Review	the Verdict
Collision Quarterly	Mountain Sledder	Watershed Sentinel
Country Life in BC	the Pacific Rim Review of Books	Western Living
Culturally Modified	Portal Magazine	WordWorks
Dance International	Powell River Living	YAM – Victoria's Lifestyle Magazine
Dementia Connections	Preview: Guide to Galleries + Museums	ZenSeekers
Digits & Threads	PRISM international	
Douglas	PULP Literature	
EVENT	Ricepaper Magazine	
FestivalSeekers	Room	
Geist	Rungh	

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Jigs, Isabelle Southcott's Nova Scotia Duck Tolling Retriever, enjoys some Powell River Living.





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