BRIGHTSAND LAKE REGIONAL PARK AUTHORITY

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

December 31, 2025

Pinnacle Business Solutions

Chartered Professional Accountants P.C. Ltd.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Brightsand Lake Regional Park Authority

Opinion

We have audited the financial statements of Brightsand Lake Regional Park Authority (the "organization"), which comprise the statement of financial position as at December 31, 2025, and the statements of revenues and expenditures, 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 (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2025, 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 (ASNPO).

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.

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.

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.

Meadow Lake, Saskatchewan
May 26, 2026

Pinnacle Business Solutions
Chartered Professional Accountants

BRIGHTSAND LAKE REGIONAL PARK AUTHORITY

Statement of Financial Position

December 31, 2025

	2025	2024
ASSETS		
Current		
Cash	**$ 96,169**	$ 104,272
Term deposits *(Note 3)*	**250,000**	200,000
Accounts receivable	**23,240**	-
Prepaid expenses	**13,105**	12,867
	382,514	317,139
Property and equipment *(Note 4)*	**921,153**	973,099
Long term investments - Lloydminster Co-op equity	**206**	202
	$ 1,303,873	$ 1,290,440
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 5,866**	$ 1,377
Deposits received	**750**	-
Goods and services tax payable	**6,659**	6,270
Provincial sales tax payable	**13,805**	11,272
Deferred income	**47,372**	61,045
	74,452	79,964
NET ASSETS		
Net assets	**1,229,421**	1,210,476
	$ 1,303,873	$ 1,290,440

Approved by the Directors

_______________ *Director*

_______________ *Director*

See notes to financial statements

BRIGHTSAND LAKE REGIONAL PARK AUTHORITY

Statement of Revenues and Expenditures

For the Year Ended December 31, 2025

	Budget 2025	**Total 2025**	Total 2024
Revenues			
Camping Fees	$ 265,800	**$ 288,783**	$ 271,291
Annual Fees	137,950	**173,913**	138,124
Park Amenities Fees	25,000	**50,645**	29,080
Grants/Donations *(Note 5)*	54,000	**76,803**	74,090
Rental revenue	31,000	**23,755**	36,100
Miscellaneous Income	-	**-**	4,474
Interest income	1,500	**6,164**	3,348
Gain on disposal of assets	-	**(5,517)**	-
	515,250	**614,546**	556,507
Expenses			
Advertising	1,000	**439**	852
Amortization	-	**48,470**	52,290
Bank charges and interest	6,500	**8,031**	6,794
Insurance	15,250	**24,791**	22,703
Miscellaneous	-	**10**	-
Office supplies	46,500	**54,188**	48,075
Professional fees	33,000	**28,980**	47,180
Repairs and maintenance	144,500	**110,339**	115,362
Small tools and supplies	6,000	**5,169**	2,775
Sub-contracts	-	**280**	-
Telephone	7,500	**5,380**	6,323
Utilities	30,000	**39,302**	26,853
Wages	225,000	**270,222**	218,473
	515,250	**595,601**	547,680
Excess of revenues over expenses	$ -	**$ 18,945**	$ 8,827

See notes to financial statements

BRIGHTSAND LAKE REGIONAL PARK AUTHORITY

Statement of Changes in Net Assets

For the Year Ended December 31, 2025

	2025	2024
Net assets - beginning of year	**$ 1,210,476**	$ 1,201,649
Excess of revenues over expenses	**18,945**	8,827
Net assets - end of year	**$ 1,229,421**	$ 1,210,476

See notes to financial statements

BRIGHTSAND LAKE REGIONAL PARK AUTHORITY

Statement of Cash Flows

For the Year Ended December 31, 2025

	2025	2024
Cash flows from operating activities		
Cash receipts from customers	**$ 577,736**	$ 556,381
Cash paid to suppliers and employees	**(534,848)**	(500,096)
Interest received	**6,164**	3,348
Interest paid	**(8,030)**	(6,794)
Goods and services tax	**389**	(5,143)
Provincial sales tax	**2,534**	11,272
	43,945	58,968
Cash flows from investing activities		
Purchase of property and equipment	**(4,899)**	(52,285)
Proceeds on disposal of property and equipment	**2,857**	-
(Increase) decrease in long-term investments	**(6)**	(202)
	(2,048)	(52,487)
Net change in cash and cash equivalents during the year	**41,897**	6,481
Cash and cash equivalents, beginning of year	**304,272**	297,791
Cash and cash equivalents, end of year	**$ 346,169**	$ 304,272
Cash and cash equivalents consist of:		
Cash	**$ 96,169**	$ 104,272
Term deposits	**250,000**	200,000
	$ 346,169	$ 304,272

See notes to financial statements

1. Purpose of the organization

Brightsand Lake Regional Park Authority (the "organization") is a not-for-profit organization incorporated under the Saskatchewan Regional Parks Act.Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The organization operates to provide camping and recreational facilities.

2. Significant accounting policies

Fund accounting

Brightsand Lake Regional Park Authority follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

Cash and cash equivalents

Cash includes restricted and unrestricted cash and any outstanding deposits and withdrawals.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a straight-line basis at the following rates and methods:

Buildings	40 years
Computer hardware	2 years
Equipment	5 to 50 years
Land improvements	50 to 75 years

The organization regularly reviews its property and equipment to eliminate obsolete items. Government grants are treated as a reduction of property and equipment cost.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Income taxes

The organization is exempt from incomes taxes under Section 149 of the Income Tax Act.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Net assets

a) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, net of transfers, and are available for general purposes.

Budget

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by the Board March 3, 2025.

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2. Significant accounting policies *(continued)*

Revenue recognition

Sales

Revenue from camping fees, annual fees, park amenity fees, rental revenue, donations and miscellaneous income is recognized when the funds are collected, when the significant risks and rewards of ownership have transferred and there are no significant obligations remaining, the sales price is fixed and determinable, persuasive evidence of an arrangement exists and collectability is reasonably assured.

Interest income

Interest income is recognised as interest accrued on a time basis by reference to the principal outstanding and to the effective interest rate applicable.

Financial instruments

The organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the organization is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the organization in the transaction.

The organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income in the period incurred.

Financial assets measured at amortized cost using the straight-line method include cash, term deposits, trade and other receivables, except for accounts receivable from a organization under common control, and notes receivable.

Accounts receivable from a organization under common control and investments in preferred shares of a private organization are recognized at cost.

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there are, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

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2. Significant accounting policies *(continued)*

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.

3. Term deposits

	2025	2024
Synergy Credit Union term deposit - matures February 2027, 3.30%	$ 125,000	$ -
Synergy Credit Union term deposit - matures November 2026, 2.15% (2024 - 2.95%)	125,000	200,000
	$ 250,000	$ 200,000

4. Property and equipment

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Buildings	$ 705,013	$ 324,202	$ 380,811	$ 397,987
Computer hardware	2,545	2,545	-	-
Equipment	599,818	363,734	236,084	263,713
Land improvements	615,088	310,830	304,258	311,399
	$ 1,922,464	$ 1,001,311	$ 921,153	$ 973,099

5. Grants

	2025	2024
Grants		
Saskatchewan Parks and Recreation Association	$ 23,318	$ 23,927
Saskatchewan Lotteries	844	-
Canadian Parks and Recreation Association	25,197	18,120
Other grants	500	-
Donations	23,944	32,043
	$ 73,803	$ 74,090

6. 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 December 31, 2025.

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. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. 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 customers and other related sources and accounts payable.

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

7. Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.