PRINCE ALBERT EXHIBITION ASSOCIATION

Financial Statements

Year Ended SEPTEMBER 30, 2024

PRINCE ALBERT EXHIBITION ASSOCIATION
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Year Ended SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

February 11, 2025

To the Members of
PRINCE ALBERT EXHIBITION ASSOCIATION

I have audited the accompanying financial statements of PRINCE ALBERT EXHIBITION ASSOCIATION, which comprise the balance sheet as at SEPTEMBER 30, 2024 and the statements of income, retained earnings and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Opinion
In my opinion, the financial statements present fairly, in all material respects, the financial position of PRINCE ALBERT EXHIBITION ASSOCIATION as at SEPTEMBER 30, 2024 and the the results of its operations and cash flow of the Organization for the year then ended in accordance with Canadian accounting standards for not-for- profit organizations.

Basis Opinion
I conducted my audit in accordance with Canadian generally accepted auditing standards. my responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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.

In preparing the financial statements, management is responsible for assessing the Company'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 Responsibility

my 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 my 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 CASs, 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 Company'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 Company'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 Company to cease to continue as a going concern.

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.

Candice Hesje-Luchinski, CPA, CA

North Country Accounting

Carrot River, SK

PRINCE ALBERT EXHIBITION ASSOCIATION
Statement of Financial Position
as at SEPTEMBER 30, 2024

	2024	2023 (Restated note 8)
ASSETS		
Current		
Cash	$ 580,634	$ 625,654
Accounts receivable	68,447	36,236
Prepaid Expenses	1,069	936
Short term deposits	-	41,603
Grants receivable (note 6)	35,645	55,933
	685,795	760,362
Long term investments	923	923
Intangibles & Other Assets	962	1,068
Tangible capital assets (note 4)	355,963	300,960
	$ 1,043,643	$ 1,063,313
LIABILITIES AND NET ASSETS		
Current		
Accounts Payable	$ 57,629	$ 39,187
Wages payable	26,427	14,954
Rental deposits	30,361	28,450
Short term debt	-	40,000
Government remittances payable (note 5)	120,634	77,508
	235,051	200,099
	235,051	200,099
FUND BALANCES	808,592	863,214
	$ 1,043,643	$ 1,063,313

ON BEHALF OF THE BOARD

Director

Director

PRINCE ALBERT EXHIBITION ASSOCIATION
Statement of Net Assets
for the year ended SEPTEMBER 30, 2024

	2024	2023 *(Restated note 8)*
FUND BALANCES - BEGINNING OF YEAR	$ 863,214	$ 784,790
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(54,622)	78,424
FUND BALANCES - END OF YEAR	$ 808,592	$ 863,214

PRINCE ALBERT EXHIBITION ASSOCIATION
Statement of Income
for the year ended SEPTEMBER 30, 2024

	2024	2023 *(Restated note 8)*
Revenue		
Advertising income	$ 95,664	$ 56,932
Commission revenue	22,966	15,347
Concession sales	97,182	67,534
Donations received	1,500	275
Event security	5,550	1,980
Event ticket, parking pass, and registration fees	835,945	705,547
Liquor sales	33,248	25,835
Memberships	155	125
Other revenue	7,730	35,307
Rental revenue	339,269	261,392
Grant revenue (note 6)	195,273	218,636
	1,634,482	1,388,910
Cost of Events (Schedule 1)	572,517	389,853
GROSS PROFIT	1,061,965	999,057
Expenses		
Advertising and promotion	46,341	34,372
Amortization	36,639	42,943
Bad debt expense	718	1,873
Bank charges and interest expense	10,186	9,823
Business licenses, fees and memberships	5,158	4,316
Cash over/short	45	249
Grants and donations	3,725	1,700
Honorariums	54,040	48,101
Insurance expense	55,383	54,003
Interest on long term debt	-	1,183
Lease and rental expense	4,491	6,478
Maintenance supplies	39,388	26,511
Management salaries and benefits	97,094	89,566
Meeting and meal expenses	17,589	12,998
Motor vehicle expense	8,873	6,698
Office supplies	23,794	24,001
Professional fees	36,360	27,632
Repairs and maintenance	165,748	84,490
Salaries, wages and benefits	301,535	272,390
Security	85,654	81,379
Telephone	22,562	19,775
Training	1,070	742
Travel	3,942	6,879
Utilities	96,127	98,055
Waste management	44,181	46,037
	1,160,643	1,002,194
EXCESS OF EXPENSES OVER REVENUE BEFORE OTHER	(98,678)	(3,137)

PRINCE ALBERT EXHIBITION ASSOCIATION
Statement of Income
for the year ended SEPTEMBER 30, 2024

	2024	2023 *(Restated note 8)*
Other revenue		
Gain/loss on sale of assets	150	3,239
Interest	4,660	16,587
Insurance proceeds	39,246	61,735
	44,056	81,561
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(54,622)	78,424

PRINCE ALBERT EXHIBITION ASSOCIATION
Statement of Cash Flows
for the year ended SEPTEMBER 30, 2024

	2024	2023 *(Restated note 8)*
CASH FLOWS FROM OPERATING ACTIVITIES		
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	$ (54,622)	$ 78,424
Items not affecting cash		
Amortization	36,639	42,943
Gain/loss on sale of assets	(150)	(3,239)
Non-cash working capital		
Accounts receivable	(32,211)	8,906
Prepaid Expenses	(133)	3,087
Wages payable	11,473	6,339
Accounts Payable	18,442	(26,105)
Rental deposits	1,911	4,006
Government remittances payable (note 5)	43,126	57,663
Grants receivable (note 6)	20,288	(20,288)
	44,763	151,736
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	150	3,239
Purchase of property, plant and equipment	(91,536)	(43,092)
	(91,386)	(39,853)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term liabilities	(40,000)	(52,465)
Repayment of short term debt	-	(25,755)
	(40,000)	(78,220)
NET INCREASE IN CASH	(86,623)	33,663
Cash at the beginning of the year	667,257	633,594
CASH AT THE END OF THE YEAR	$ 580,634	$ 667,257
Cash includes		
Cash	580,634	625,654
Term deposits	-	41,603
	$ 580,634	$ 667,257

1. DESCRIPTION OF OPERATIONS

Prince Albert Exhibition Association (the "Organization") is incorporated provincially under the Non-Profit Corporations Act of the province of Saskatchewan, and as a non-profit organization and is exempt from income tax under section 149(1) of the Income Tax Act.

The Organization operates to provide community minded events to provide small business and recreational opportunities, as well as, youth and agricultural learning opportunities. In addition, the organization provides rental accomodations to fill the personal and business rental needs of Prince Albert and surounding area.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were presented, in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) in Part III of the Chartered Professional Accountants of Canada ("CPA Canada") Handbook, which sets out the generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies summarized below.

Financial instruments policy

The Organization initially recognizes its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and liabilities at amortized cost, net of any provisions for impairment. Financial assets are assessed for impairment on an annual basis at the end of each fiscal year for indicators of impairment. If there is an indicator of impairement, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows. The carrying value of the financial asset is then reduced to the highest of the present value of expected cash flows, the amount that could be realized from selling the finanical asset, or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

Tangible capital assets

Tangible capital assets are started at cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

	Rate	Method
Buildings	25 years	Straight line
Storage sheds and barns	20 years	Straight line
Fences	10 years	Straight line
Site facilities	20 years	Straight line
Computer equipment	3 years	Straight line
Trade show curtains and other electronic equipment	5 years	Straight line
Furniture and other equipment	10 years	Straight line
Self propelled equipment	5 years	Straight line
Trailers	10 years	Straight line

The Organization regularly reviews its tangible capital assets for impairment and obsolescence.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The Organization follows the deferral method of accounting for contributions, which include donations and grants. Grants are recorded as revenue when received or receivable if the amount to be received can be reasonably assured. Donations are recorded when received since pledges are not legally enforceable claims. Unrestricted contributions are recognized as revenue when received or receivable based on the contribution agreement. Externally restricted contributions are recognized as revenue in the year the related expense is recognized.

Unrestricted grants and contributions are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Sales revenue including beverage sales, event admissions, parking, rental services, commisisons, and sponsorships are recognized as the goods or services are provided and collection is reasonably assured.

Donated goods or services are recorded at fair value at the time of the donation when the fair value of materials and services can be reasonably determined.

Advertising, reqistration fees, and memberships are recognized as revenue in the year in which the related expenses are incurred.

Investment income is recognized as revenue when earned.

Donated services, materials and goods

The value of materials, volunteer and other services donated to the Association is not recorded in thefinancial statements

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations (ASNPO) 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. These estimates include the collectability of receivables and the useful life of tangible capital assets and 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. FINANCIAL INSTRUMENTS

The Organization is exposed to risk 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 September 30, 2024.

(a) Credit risk

Credit risk arises from the potential risk that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from customer receivables. In order to reduce its credit risk, the Organization reviews a prospective customer's credit history. An allowance for doubtful loans is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversly affected by a change in interest rates. The organization is exposed to interest rate risk through its deposit accounts.

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

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	2024 Net Book Value	2023 Net Book Value
Buildings	$ 2,129,904	$ 1,895,471	$ 234,433	$ 182,196
Storage sheds and barns	895,909	886,408	9,501	10,483
Fences	44,085	39,569	4,516	2,210
Site facilities and improvements	987,119	968,650	18,469	23,713
Computers equipment	22,306	22,306	-	-
Furniture and other equipment	248,868	164,498	84,370	75,879
Self propelled equipment	80,839	76,165	4,674	6,479
Trailers	18,183	18,183	-	-
	$ 4,441,253	$ 4,085,290	$ 355,963	$ 300,960

5. GOVERNMENT REMITTANCES PAYABLE

Government remittances payable includes:

	2024	2023
Goods and services tax payable	$ 12,082	$ 15,906
Provincial sales taxes payables	96,450	50,418
Liquor taxes payable	3,325	2,918
Payroll deduction remittances payable	8,777	8,266
	$ 120,634	$ 77,508

6. GOVERNMENT ASSISTANCE

The Organization has included the following governmnet funding amounts in Grant revenue:

	2024	2023
Community Initiative Fund	$ 178,223	$ 178,223
Saskatchewan Association of Agricultural Societies and Exhibitions	17,050	17,050
Canada Summer Student	-	23,363
	$ 195,273	$ 218,636

Of the grants and subsidies noted, the following remain receivable:

	2024	2023
Community Initiative Fund	$ 35,645	$ 35,645
Canada Summer Student	-	20,288
	$ 35,645	$ 55,933

7. RELATED PARTY TRANSACTIONS

The Organization also pays organizations for contracted services for which board members are party to ownership or control. These amounts are measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

8. CORRECTION OF AN ERROR

An adjustment has been prepared to correct errors in the Oranization's opening balance as shown below.

	2023 Previously reported	Adjustment		2023 Restated
Government remittances payable	54,444	23,064	a)	77,508
Total Liabilities	430,543	23,064		453,607
Event ticket, parking pass, and registration fees	728,611	(23,064)	c)	705,547
Total revenue	507055	(23,064)		483,991
Excess Revenue over Expenses	101,488	(23,064)		78,424
Net assets end of year	886,278	(23,064)		863,214

a) The Organization failed to properly calculate PST on event admission and amusement ride ticket sales