

Saskatchewan Horse Federation Inc.

Financial Statements

Year Ended December 31, 2024

Independent Auditor's Report
Balance Sheet
Statement of Revenue and Expenditures
Statement of Accumulated Surplus
Statement of Cash Flows
Notes to Financial Statements
Schedules to Financial Statements

Independent Auditor's Report

To the Members of Saskatchewan Horse Federation Inc.:

Opinion

I have audited the financial statements of Saskatchewan Horse Federation Inc. (the Entity), which comprise the statement of financial position as at December 31, 2024, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024 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.

Basis for 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 Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other 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 audit 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 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

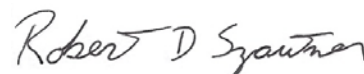
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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 Canadian generally accepted auditing standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

INDEPENDENT AUDITORS' REPORT *(continued)*

- 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 Entity'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 Entity'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 my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity 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.

I 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 I identify during my audit.

February 24, 2025
Regina, Saskatchewan



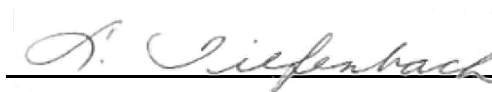
Robert D. Szautner
Chartered Professional Accountant

Saskatchewan Horse Federation Inc.
Statement of Financial Position
as at December 31, 2024

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	\$ 343,505	\$ 321,254
Short-term investments (Note 3)	308,599	46,536
Accounts receivable	23,304	29,948
Goods and services tax rebate receivable	2,383	3,942
Prepaid expenses	1,279	3,841
Inventory	4,454	7,603
	683,524	413,124
Long-term investments (Note 3)	261,030	500,000
Capital assets (Note 4)	5,344	8,952
Restricted Pegasus fund (Note 6)	54,604	51,546
	\$ 1,004,502	\$ 973,622
Liabilities		
Current Liabilities		
Accounts payable & accrued liabilities	\$ 25,463	\$ 15,468
Deferred revenue (Note 5)	65,546	58,983
Deferred Pegasus Fund Revenue (Note 6)	54,604	51,546
	145,613	125,997
Accumulated Surplus		
Unappropriated Surplus	827,878	816,614
Revenue Stabilization Reserve (Note 7)	31,011	31,011
	858,889	847,625
	\$ 1,004,502	\$ 973,622

See accompanying notes to financial statements

Approved on Behalf of the Board

 _____ Director

 _____ Director

Saskatchewan Horse Federation Inc.
Statement of Revenue and Expenditures
For the Year Ended December 31, 2024

		2024		2023
Revenue				
Sask Lotteries Trust Fund, Sport Division (Schedule 1)	\$	437,100	\$	476,000
Self-Help Internal				
Competitions/Clinics		63,280		36,632
Memberships (Schedule 2)		152,150		145,215
Team and Athlete Fees		2,726		1,852
Self-Help External				
Donations		1,533		750
Fundraising (net) (Schedule 3)		15,016		19,561
Grants (Schedule 4)		7,550		7,873
Interest Income		23,775		17,727
Other		-		2
Sales (net) (Schedule 5)		15,652		6,605
Sponsorships		3,383		1,650
		722,165		713,867
Expenditures				
Administration (Schedule 6)	\$	286,470	\$	272,103
Capacity and Interaction (Schedule 7)		105,339		120,343
Participation (Schedule 8)		146,771		85,770
Excellence (Schedule 9)		111,861		139,435
Membership Assistance Program (Schedule 10)		59,710		58,108
Elgin Bracken Fund Expense		750		750
		710,901		676,509
Net Revenue For The Year	\$	11,264	\$	37,358

See accompanying notes to financial statements

Saskatchewan Horse Federation Inc.
Statement of Accumulated Surplus
For the Year Ended December 31, 2024

	Revenue Stabilization Reserve	Unappropriated Surplus	2024	2023
Accumulated Surplus				
At the Beginning of the Year	\$ 31,011	\$ 816,614	\$ 847,625	\$ 810,267
Net Revenue For The Year	-	11,264	11,264	37,358
Accumulated Surplus				
At the End of the Year	\$ 31,011	\$ 827,878	\$ 858,889	\$ 847,625

See accompanying notes to financial statements

Saskatchewan Horse Federation Inc.
Statement of Cash Flows
For the Year Ended December 31, 2024

	2024	2023
Cash Provided by (Used In) Operations		
Net Revenue For The Year	\$ 11,264	\$ 37,358
Items not involving cash:		
Amortization	3,608	3,608
Change in working capital balances:		
Accounts receivable	6,644	(17,475)
Goods and services tax rebate receivable	1,559	(1,347)
Prepaid expenses	2,562	5,941
Inventory	3,149	1,080
Accounts payable	9,995	(3,469)
Deferred revenue	6,563	(263,889)
Deferred Pegasus fund revenue	3,058	3,743
Cash provided by (used for) operations	48,402	(234,450)
Investing Activities		
Proceeds on disposal of investments	-	593,623
Purchase of investments	(23,093)	(581,522)
Purchase of capital assets	-	(6,502)
Cash provided by (used for) investing	(23,093)	5,599
Increase (decrease) Increase in cash during the year	25,309	(228,851)
Cash Position at the beginning of the Year	372,800	601,651
Cash Position at the end of the Year	\$ 398,109	\$ 372,800
Cash Consists of:		
Cash in Bank	\$ 343,505	\$ 321,254
Restricted Pegasus Fund	54,604	51,546
	\$ 398,109	\$ 372,800

See accompanying notes to financial statements

Saskatchewan Horse Federation Inc.
Notes to Financial Statements
For the Year Ended December 31, 2024

1. Purpose of the Association

The Saskatchewan Horse Federation Inc. (the "Federation") is incorporated under The Non-profit Corporations Act of Saskatchewan. The Saskatchewan Horse Federation Inc. is the provincial body which represents the sport, recreation and industry of horse.

2. Significant Accounting Policies

a) Basis of Presentation

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not for Profit Organizations (ASNPO), applied within the framework of accounting policies summarized below.

b) Investments

Investments consist of guaranteed investment certificates, fixed income investments with maturity dates of greater than twelve months from the date of acquisition.

c) Inventory

Inventories are valued at the lower of cost and net realizable value, with cost being determined using the first in first out method.

d) Capital Assets

Capital assets are accounted for at cost and amortized using rates intended to amortize them over their useful lives. Capital assets with a cost less than \$1,500 are expensed in the year of acquisition. Capital assets are depreciated using the straight line method and the following rates:

Computer equipment	3 years
Furniture and equipment	10 years

e) Revenue Recognition

The Saskatchewan Horse Federation Inc. follows the deferral method of accounting for contributions and grants. Memberships, donations and sponsorships are recorded as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest is recorded in the period earned. Membership Assistance Program grants received by the corporation are remitted to local horse associations and clubs during the course of the year. Operating and other grants are recognized as revenue as they are earned. Grants for specific projects are recognized concurrent with project expenditures. Induction dinner revenue is recognized in the period the dinner is held. Raffle ticket revenue is recognized in the period the draw is held.

f) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

Saskatchewan Horse Federation Inc.
Notes to Financial Statements
For the Year Ended December 31, 2024

2. Significant Accounting Policies continued

g) Financial Instruments

The Federation initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Federation subsequently measures all its financial assets and financial liabilities at amortized cost, except for cash and investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income in the year in which the changes occur.

Transaction costs are recognized in income in the period incurred, except for financial instruments that will be subsequently measured at amortized cost. Transaction costs associated with the acquisition and disposal of fixed income investments are capitalized and are included in the acquisition costs or reduce proceeds on disposal. Investment management fees associated with the index pooled funds are expensed as incurred.

Financial assets measured at amortized cost include accounts receivable and investments in guaranteed investment certificates and fixed income investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include investments quoted in an active market.

At the end of each reporting period, the Federation assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. If there is an indication of impairment, the Federation determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset. If the Federation identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the higher of the present value of the expected cash flows or the amount that could be realized from selling the financial asset.

Any impairment of the financial asset is charged to income in the period in which the impairment is determined. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, but not in excess of the impairment loss. The amount of the reversal is recognized in income in the period the reversal occurs.

3. Investments

	2024	2023
Short-term investments		
TCU GIC-Bus 1 YR Cashable, 2.5%, maturing Dec 14, 2025	\$ 47,819	\$ 46,536
TCU GIC-2 YR Non-redeemable, 4.3%, maturing Apr 11, 2025	260,780	-
	\$ 308,599	\$ 46,536
Long-term investments		
TCU GIC-2 YR Non-redeemable, 4.3%, maturing Apr 11, 2025	-	250,000
TCU GIC-3 YR Non-redeemable, 4.4%, maturing Apr 11, 2026	261,030	250,000
	\$ 261,030	500,000

Saskatchewan Horse Federation Inc.
Notes to Financial Statements
For the Year Ended December 31, 2024

4. Capital Assets

Capital assets consist of the following:

	Capital Cost	Accumulated Amortization	2024 Net Book Value	2023 Net Book Value
Computer equipment	14,747	12,579	2,168	4,335
Furniture and equipment	14,410	11,234	3,176	4,617
	\$ 29,157	\$ 23,813	\$ 5,344	\$ 8,952

5. Deferred Revenue

Deferred revenue consists of the following:

	2024	2023
Membership revenues	\$ 35,755	\$ 32,210
SLTF Adaptive Sport Grant	5,000	-
Insurance revenues	15,931	11,970
Nomination - Heritage, Prairie cups & Para	510	955
Taxes collected	22	-
Unspent raffle proceeds	8,109	13,799
Western Horse Review	219	49
	\$ 65,546	\$ 58,983

6. Restricted/Deferred Pegasus Funds

Restricted Pegasus Fund revenue are funds that have been donated to the Pegasus Fund by members and are currently being held by the National Sport Trust Fund. The funds earn 5% a year and must remain in the fund for at least five years in order to receive this return. When the funds are withdrawn for use they will be brought into operating income.

7. Appropriated Surplus

The Board of Directors has designated funds as a reserve against possible future decreases in revenues to be able to continue services until additional funds can be arranged. In 2024, the Board appropriated \$nil (2023 - \$19,050) from the High Performance Reserve Fund to unappropriated surplus.

8. Financial Instruments and Risk

The Federation's recognized financial instruments consist of cash, investments, accounts receivable and accounts payable.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Federation is exposed to credit risk on the accounts receivable from its members, however, does not have a significant exposure to any individual customer or counterpart. In order to reduce its credit risk, the Federation regularly reviews outstanding accounts receivable.

Saskatchewan Horse Federation Inc.
Notes to Financial Statements
For the Year Ended December 31, 2024

8. Financial Instruments and Risk continued

Liquidity Risk

Liquidity risk is the risk that the Federation will not be able to meet its financial obligations as they come due. The Federation manages liquidity by maintaining adequate cash on hand to provide for the ongoing management and operations of the Federation. In addition, the Federation continuously monitors and reviews both actual and forecasted cash flows.

Market Risk

The market risk associated with investments is minimized substantially by ensuring that these assets are invested in guaranteed investment certificates or bonds. The rates of these investments are fixed at rates similar to market interest rates.

Interest Risk

The Corporation is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed rate instruments subject the Corporation to a fair value risk while the floating rate instruments subject it to a cash flow risk.

9. Economic Dependence

Saskatchewan Horse Federation Inc. currently receives significant revenue in grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. As a result, the organization is dependent upon the continuance of these grants to maintain operations at their current level.

10. Donated Services

The work of the Federation is dependent on the voluntary services of many members. Since these services are not normally purchased by the Federation and because of the difficulty of determining their fair value, donated services are not recognized in these financial statements.

11. Income Tax Status

The Federation is exempt from income tax as a non-profit organization.

12. Commitments

The Federation is committed to minimum lease payments on operating leases related to the administration of the Federation as follows:

2025	\$	1,932
2026		1,932
2027		1,932
2028		483

13. Comparative Figures

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.

Saskatchewan Horse Federation Inc.
Revenue Schedules to Financial Statements
For the Year Ended December 31, 2024

	2024	2023
Saskatchewan Lotteries Trust Fund, Sports Division		
Schedule 1		
Annual Funding	\$ 375,600	\$ 417,900
Membership Assistance Program	59,700	58,100
Hosting	1,800	-
	\$ 437,100	\$ 476,000

Schedule of Memberships		
Schedule 2		
Individuals	\$ 145,580	\$ 138,455
Corporate	6,570	6,760
	\$ 152,150	\$ 145,215

Schedule of Fundraising (net of expenses)		
Schedule 3		
AGM fundraising activities	\$ 185	\$ 400
Equine expo	-	2,500
Grant - SLGA	3,251	4,055
Heritage & Prairie Cup banquet	2,480	2,735
Raffle revenue	27,195	27,754
Raffle expense	(18,095)	(17,883)
	\$ 15,016	\$ 19,561

Schedule of Grants		
Schedule 4		
Sask Sport - Officials Grant	\$ 800	\$ -
Canadian Women & Sport	1,000	-
Equine Canada	2,750	-
CSCS - Coach Visitation Grant	500	-
Government of Canada - Student Summer Grant	-	4,162
Government of Saskatchewan	2,500	3,711
	\$ 7,550	\$ 7,873

Schedule of Sales (net of expenses)		
Schedule 5		
Hall of Fame banquet	\$ 3,015	\$ 770
Insurance/sanctioning revenue	42,708	36,899
Insurance/sanctioning expense	(31,725)	(33,525)
Manual sales	2,200	1,643
Merchandise sales	75	326
Cost of goods sold	(1,605)	(952)
Western Horse Review revenue	1,968	2,680
Western Horse Review expense	(984)	(1,236)
	\$ 15,652	\$ 6,605

Saskatchewan Horse Federation Inc.
Expenditures Schedules to Financial Statements
For the Year Ended December 31, 2024

	2024	2023
Administration		
Schedule 6		
Amortization	\$ 3,608	\$ 3,608
Audit	6,510	6,239
Bad Debts	4	-
Insurance	3,906	2,440
Legal fees	1,693	7,197
Office operations		
Bank charges	9,360	9,740
Bookkeeping	6,696	3,494
Office expenses	41,227	43,610
Salaries and benefits	212,655	195,074
Staff travel and recruitment	811	701
	\$ 286,470	\$ 272,103

Capacity and Interaction
Schedule 7

Awards and recognition	\$ 30,496	\$ 45,204
Communication	16,053	20,851
Conference/Symposiums	3,804	6,947
Hosting	1,800	-
Marketing and promotion	10,438	9,946
Meetings		
AGM	9,729	9,743
Board and committee	10,794	12,160
National	807	1,464
Memberships	6,171	7,640
Planning & Policy development	14,848	6,388
Professional and Leadership Development	399	-
	\$ 105,339	\$ 120,343

Saskatchewan Horse Federation Inc.
Expenditures Schedules to Financial Statements
For the Year Ended December 31, 2024

	2024	2023
Participation		
Schedule 8		
Athlete development		
Competitions	\$ 61,887	\$ 44,571
Introductory programs	47,279	10,584
Target group initiatives	512	-
Coaching development	9,094	3,922
Officials development	4,603	3,770
Salaries and benefits	23,396	22,923
	\$ 146,771	\$ 85,770

Excellence
Schedule 9

Athlete development		
Athlete assistance	\$ 27,800	\$ 28,600
Competition	42,556	48,111
Talent ID	-	30,728
Coaching development	12,468	4,923
Officials development	5,641	4,150
Salaries and benefits	23,396	22,923
	\$ 111,861	\$ 139,435

Saskatchewan Horse Federation Inc.
Expenditures Schedules to Financial Statements
For the Year Ended December 31, 2024

Club Name	2024	2023
Membership Assistance Program Grants		
Schedule 10		
	\$	\$
Aberdeen Sunset Riders	1,000	1,000
Battlefords Quarter Horse Club Inc.	1,000	1,000
Biggar Recreational Valley Inc.	1,350	1,350
Bridge City Polocrosse Inc.	1,000	1,350
Cadillac Light Horse Club	1,100	408
Classique Equestrian Club Inc.	1,100	1,100
Corman Park Horse Riders	1,525	1,000
Delisle Riding Club	1,000	1,000
Dusty Riders 4H Light Horse	1,000	1,000
Eastend Light Horse Improvement Society	-	1,000
Grasswood Fillies Inc.	1,235	1,225
Heartland Pony Club	1,235	1,225
Horse Trials SK	1,100	1,100
Last Mountain Riding Club	1,100	-
Maple Creek Light Horse Association	1,235	-
Melfort Agricultural Society	1,100	1,225
Midwest Roping Association	-	1,225
Mirror Image Vaulters Inc.	1,100	1,000
Moose Jaw Exhibition Co. Ltd.	700	-
North East Riding Club	1,235	1,000
Park Valley Pony Club	1,000	1,100
Parkland Riding Club	1,100	-
Prairie Carriage Driving Club	1,350	1,350
Prairie N Forest Equestrian Club	1,235	1,350
Prairie Sport Horse Association	1,525	1,000
Prince Albert Exhibition Association	1,100	-
Regina District Dressage Association	1,100	1,500
Rosetown Riding Club	1,235	-
Sask Clydesdale Association	1,235	1,100
Sask Cutting Horse Association	1,525	1,800
Sask Equestrian Vaulting Association	1,235	1,500
Sask High School Rodeo Association	1,525	1,500
Sask Hunter Jumper Association	1,100	1,350
Sask Long Riders	1,235	1,350
Sask Morgan Horse Club	1,100	1,100
Sask Paint Horse Club	1,000	-

(continues)

Saskatchewan Horse Federation Inc.
Expenditures Schedules to Financial Statements
For the Year Ended December 31, 2024

	2024	2023
Sask Quarter Horse Association	1,525	1,800
Sask Reined Cow Horse Association	1,525	1,800
Sask Reining Horse Association	1,525	1,800
Sask Regional Pony Club	1,235	1,000
Sask Riding Club Assoc	1,525	1,800
Sask Team Cattle Penning Association	1,235	-
Sask Valley Riding Club	1,100	1,350
Sask Western Dressage Association	1,525	1,800
Saskatoon Dressage Club	1,525	1,500
Saskatoon Riding Club	-	1,500
Saskatoon Team Penning Club	-	1,800
Sunshine Vaulters	1,100	1,000
Tally Ho Equestrian	1,525	1,800
Val Marie 4H Light Horse Club	1,350	1,500
Vanscoy Multiple 4H Club	1,100	1,225
Victoria Plains Horse Club	1,100	1,225
Wheels & Saddles Drive / Riding	1,100	1,000
Total MAP Grants	\$ 59,710	\$ 58,108