

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF SASKATCHEWAN**

**FINANCIAL STATEMENTS**  
December 31, 2025


## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements of the **Association of Professional Engineers & Geoscientists of Saskatchewan (APEGS)** have been prepared by the Association's management in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include some amounts based on informed judgement and management estimates.

To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The Council has reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, **Virtus Group LLP**, and their report is presented separately.



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Danae Lemieux, P.Eng., FEC  
Chair of the Finance Audit Risk Management Committee



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Stormy Holmes, P.Eng., FEC, FGC (Hon.)  
Executive Director and Registrar



## INDEPENDENT AUDITOR'S REPORT

**To the Members,  
Association of Professional Engineers & Geoscientists of Saskatchewan**

### *Opinion*

We have audited the financial statements of the **Association of Professional Engineers & Geoscientists of Saskatchewan**, which comprise the statement of financial position as at **December 31, 2025**, and the statements of operations, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2025, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit Associations.

### *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 Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, 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.

### *Other Matter*

The financial statements of the Association for the year ended December 31, 2024, were audited by another auditor who expressed an unmodified opinion on those financial statements on April 10, 2025.

### *Information Other than the Financial Statements and Auditor's Report Thereon*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### *Responsibilities of Management and Those Charged with Governance 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

## INDEPENDENT AUDITOR'S REPORT (continued)

### *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

- 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 Association'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 Association'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 Association 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.

April 2, 2026  
Regina, Saskatchewan

VIRTUS GROUP LP  
Chartered Professional Accountants

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOSCIENTISTS OF SASKATCHEWAN  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2025**

(with comparative figures as at December 31, 2024)

	<b><u>ASSETS</u></b>	
	<b>2025</b>	<b>2024</b>
<b>Current assets</b>		
Cash (Note 3)	\$ 5,583,884	\$ 4,732,749
Investments (Note 4)	152,431	-
Prepaid expenses	70,142	151,882
	<u>5,806,457</u>	<u>4,884,631</u>
<b>Investments (Note 4)</b>	15,574,532	16,183,176
<b>Tangible capital assets (Note 5)</b>	438,019	444,616
<b>Intangible capital assets (Note 6)</b>	107,439	180,831
	<u>\$ 21,926,447</u>	<u>\$ 21,693,254</u>
	<b><u>LIABILITIES</u></b>	
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 1,154,113	\$ 529,605
Government remittances payable	196,100	151,352
Fees collected in advance	5,501,053	4,813,535
	<u>6,851,266</u>	<u>5,494,492</u>
	<b><u>NET ASSETS</u></b>	
<b>Internally restricted surplus (Note 7)</b>	10,346,002	4,375,902
<b>Net assets invested in tangible capital assets and intangible assets</b>	545,458	625,447
<b>Unrestricted surplus</b>	4,183,721	11,197,413
	<u>15,075,181</u>	<u>16,198,762</u>
	<u>\$ 21,926,447</u>	<u>\$ 21,693,254</u>
Commitments (Note 10)		

See accompanying notes to the financial statements.

**Approved on behalf of the Council:**

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF SASKATCHEWAN  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

	Investment in tangible capital assets and intangible assets	Internally restricted net assets (Note 7)	Unrestricted net assets	2025	2024
<b>Balance - beginning of year</b>	\$ 625,447	\$ 4,375,902	\$ 11,197,413	\$ 16,198,762	\$ 14,618,579
Excess (deficiency) of revenue over expenses	-	-	(1,123,581)	(1,123,581)	1,580,183
Purchase of capital assets	199,116	-	(199,116)	-	-
Amortization of capital assets	(279,105)	-	279,105	-	-
Transfer	-	5,970,100	(5,970,100)	-	-
<b>Balance - end of year</b>	<b>\$ 545,458</b>	<b>\$ 10,346,002</b>	<b>\$ 4,183,721</b>	<b>\$ 15,075,181</b>	<b>\$ 16,198,762</b>

See accompanying notes to the financial statements.

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOSCIENTISTS OF SASKATCHEWAN  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

	<b>2025</b>	<b>2024</b>
<b>Revenue</b>		
Advertising	\$ 44,102	\$ 48,918
Affinity revenue	21,068	20,840
Fees:		
Membership and license	5,879,066	5,690,401
Certificate of authorization	811,702	803,551
Registration	505,807	560,500
Functions and events	23,952	31,061
Investment income (Note 8)	1,196,539	2,015,208
Penalties and surcharges	32,089	11,595
Practice exams	325,265	321,240
	<u>8,839,590</u>	<u>9,503,314</u>
<b>Expenses</b>		
Communication expenses (Schedule 1)	1,029,377	1,046,924
Governance expenses (Schedule 2)	242,116	143,303
Operations expenses (Schedule 3)	5,665,342	3,616,909
Professional standards expenses (Schedule 4)	1,478,056	1,621,814
Registration expenses (Schedule 5)	1,548,280	1,494,181
	<u>9,963,171</u>	<u>7,923,131</u>
<b>Excess (deficiency) of revenue over expenses</b>	<u>\$ (1,123,581)</u>	<u>\$ 1,580,183</u>

See accompanying notes to the financial statements.

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF SASKATCHEWAN  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

	<b>2025</b>	<b>2024</b>
<b>Cash provided by (used in) operating activities:</b>		
Excess (deficiency) of revenue over expenses	\$ (1,123,581)	\$ 1,580,183
Amortization	279,105	299,804
Unrealized (gain) loss on investments	543,408	(1,229,257)
Non-cash operating working capital (Note 9)	1,438,514	(172,125)
	<u>1,137,446</u>	<u>478,605</u>
<b>Cash provided by (used in) investing activities:</b>		
Net change in investments	(87,195)	(728,073)
Purchase of tangible and intangible capital assets	(199,116)	(394,280)
	<u>(286,311)</u>	<u>(1,122,353)</u>
<b>Increase (decrease) in cash and cash equivalents</b>	851,135	(643,748)
<b>Cash position - beginning of year</b>	<u>4,732,749</u>	<u>5,376,497</u>
<b>Cash position - end of year</b>	<u>\$ 5,583,884</u>	<u>\$ 4,732,749</u>

See accompanying notes to the financial statements.

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOSCIENTISTS OF SASKATCHEWAN**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

(with comparative figures for the year ended December 31, 2024)

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**1. Nature of operations**

The Association of Professional Engineers and Geoscientists of Saskatchewan (the "Association") is a non-profit organization that regulates the professions of engineering and geoscience by promoting and improving the competency of members in their practice of professional engineering or professional geoscience in order to safeguard the public. The Association is exempt from income tax under Section 149(1)(l) of *The Income Tax Act*.

**2. Summary of significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The financial statements required 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 period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. The financial statements reflect the following accounting policies:

*Financial instruments - recognition and measurement*

Financial assets and financial liabilities are recorded on the statement of financial position when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are required to be recognized at fair value upon initial recognition, except for certain related party transactions. Measurement in subsequent periods of equity instruments is at fair value. All other financial instruments are subsequently measured at amortized cost adjusted by transaction costs, which are amortized over the expected life of the instrument.

Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market. Changes in fair value of financial instruments measured at fair value are recognized in the excess of revenues over expenses. When there is an indication of impairment the carrying amount of financial assets measured at amortized cost may be reduced. Such impairments can be subsequently reversed if the value improves.

The Association's recognized financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities. The fair value of the items approximate cost given their short term nature.

*Investments*

Investments in equity investments are recorded at fair value. All other investments are recorded at cost.

*Tangible capital assets*

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is provided over the estimated useful life of the asset on a straight line basis at the following rates:

Computer equipment	3 years
Equipment	5 years

Leasehold improvements are amortized over the term the lease, which includes one renewal period.

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**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOSCIENTISTS OF SASKATCHEWAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

**2. Summary of significant accounting policies (continued)**

*Intangible assets*

Intangible assets consists of database software, course development costs and other intangibles and is accounted for at cost. The intangibles are amortized over its estimated useful lives of 3 to 5 years using the straight line method.

*Revenue recognition*

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenues from fees are recorded in the year to which the fee relates. Fees collected in advance arise when members pay the next year's annual dues prior to December 31. Investment revenue includes interest, dividends, realized gains (losses) and unrealized gains (losses) on investments measured at fair value. Investment income is recognized as it is earned. Revenues from advertising, affinity, functions and events, penalties and surcharges and practice exams are recognized when the services are provided.

*Contributed services*

Volunteers contribute many hours to assist the Association in carrying out its activities. Because of the difficulty of determining the fair value of their contributions, these services are not included in the financial statements.

**3. Cash**

	<b>2025</b>	<b>2024</b>
Cash	\$ 5,583,884	\$ 3,892,385
Canadian money market funds	-	840,364
	\$ 5,583,884	\$ 4,732,749

**4. Investments**

The Association holds one guaranteed investment certificate with a balance of \$152,431 including accrued interest. This investment bears interest at 2.55% and matures in May 2026.

The Association holds investments in two RBC A+ Unified Managed Accounts (a Canadian dollar account and a US dollar account) which is a structured account providing access to multiple investment managers within one account. The accounts emphasize high quality securities, income generation, downside protection and capital preservation. The asset allocation of the accounts, in Canadian dollars, were as follows at year end:

	<b>2025</b>	<b>2024</b>
Cash	\$ 512,227	\$ 535,241
Fixed income	5,688,915	5,923,903
Mutual funds	-	1,207,685
Equities	7,838,335	7,781,160
Other	1,535,055	735,187
	\$ 15,574,532	\$ 16,183,176

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF SASKATCHEWAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

**5. Tangible capital assets**

	2025			2024	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value	
Computer equipment	\$ 537,169	\$ 405,384	\$ 131,785	\$ 229,871	
Leasehold improvements	1,303,936	1,293,043	10,893	14,005	
Office equipment	691,738	396,397	295,341	200,740	
	<u>\$ 2,532,843</u>	<u>\$ 2,094,824</u>	<u>\$ 438,019</u>	<u>\$ 444,616</u>	

**6. Intangible assets**

	2025			2024	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value	
Database management	\$ 893,301	\$ 796,292	\$ 97,009	\$ 176,380	
Other intangible assets	154,572	144,142	10,430	4,451	
	<u>\$ 1,047,873</u>	<u>\$ 940,434</u>	<u>\$ 107,439</u>	<u>\$ 180,831</u>	

**7. Internally restricted net assets**

The following reserves have been established by the Council to be used for the specific purposes as noted below:

	Opening balance	Restricted (unrestricted) during the year	Restricted funds used	Ending balance
Working capital reserve	\$ 3,575,902	\$ 5,970,100	\$ -	\$ 9,546,002
Discipline and enforcement reserve	800,000	-	-	800,000
	<u>\$ 4,375,902</u>	<u>\$ 5,970,100</u>	<u>\$ -</u>	<u>\$ 10,346,002</u>

The working capital reserve was established in 1995 to provide for costs in the event the Association is wound up.

The discipline and enforcement reserve was established in 1995 to provide for major discipline and enforcement actions.

**8. Investment income**

	2025	2024
Dividends	\$ 132,704	\$ 124,881
Foreign exchange gain	136,382	337,651
Interest income	165,165	170,153
Other income	30,826	65,523
Realized gain on sale of investments	1,274,870	87,743
Unrealized gain (loss) on market value of investments	(543,408)	1,229,257
	<u>\$ 1,196,539</u>	<u>\$ 2,015,208</u>

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF SASKATCHEWAN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

**9. Non-cash operating working capital**

Details of net change in each element of working capital related to operations excluding cash are as follows:

	<b>2025</b>	<b>2024</b>
<b>(Increase) decrease in current assets:</b>		
Prepaid expenses	\$ 81,740	\$ 45,448
	<u>81,740</u>	<u>45,448</u>
<b>Increase (decrease) in current liabilities:</b>		
Accounts payable and accrued liabilities	624,508	(49,042)
Government remittances payable	44,748	(22,546)
Fees collected in advance	687,518	(145,985)
	<u>1,356,774</u>	<u>(217,573)</u>
	<u>\$ 1,438,514</u>	<u>\$ (172,125)</u>

**10. Commitments**

The Association leases its head office under an operating lease that expires on December 31, 2028. Annual lease payments over the next three years are as follows:

2026	\$	612,525
2027		612,525
2028		612,525

**11. Financial risk management**

The Association has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial risks to which the Association is exposed are:

*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 Association is not exposed to significant credit risk as membership fees are generally received in advance. Credit risk associated with its investments is considered limited since all are held with trust companies or Canadian banks.

*Market risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Association's investments in equities expose the Association to market risk as such investments are subject to price changes in the open market. The Association does not use any derivative instruments to alter the effects of this risk.

*Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Cash and investments in foreign equities in US dollars are exposed to foreign exchange fluctuations. The amounts held in US dollars at year end are \$4,973,156 USD (2024 - \$6,754,652 USD).

**12. Comparative figures**

Certain prior year figures were reclassified to conform to the presentation of the current year.

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF SASKATCHEWAN  
SCHEDULE OF COMMUNICATION EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

**Schedule 1**

	<b>2025</b>	<b>2024</b>
Advertising	\$ 52,799	\$ 104,038
Communications public relations	-	116,528
General events	502,007	401,877
General public sponsorship	80,000	75,006
Membership newsletter / magazine	112,669	48,927
Other communication tools	56,749	129,265
Professional liaisons	635	2,426
Publications	10,467	297
Research	42,633	35,356
Scholarships and bursaries	36,000	22,759
Social media	50,531	23,744
University student grants	66,000	78,441
UofS / UofR activities	18,145	7,635
Website	742	625
	<u>\$ 1,029,377</u>	<u>\$ 1,046,924</u>

**SCHEDULE OF GOVERNANCE EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025**

(with comparative figures for the year ended December 31, 2024)

**Schedule 2**

	<b>2025</b>	<b>2024</b>
Annual meeting	\$ 82,711	\$ 34,973
Council	123,228	47,474
Executive committee	10,799	5,259
Finance, audit and risk management committee	5,703	25,983
Governance committee	74	549
Government relations	2,946	3,208
Nominating committee	289	10,356
PNWER	5,000	11,794
President's reception	1,090	1,500
Provincial meetings	5,073	153
Public accountability advisory group	5,203	1,236
Volunteer management	-	818
	<u>\$ 242,116</u>	<u>\$ 143,303</u>

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOSCIENTISTS OF SASKATCHEWAN  
SCHEDULE OF OPERATIONS EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

**Schedule 3**

	<b>2025</b>	<b>2024</b>
Engineers Canada	\$ 179,403	\$ 198,450
Geoscientists Canada	48,366	47,121
Operations	797,880	491,559
Salaries and benefits	3,184,947	2,525,312
Staff committees	3,973	441
Technology	1,450,773	354,026
	<u>\$ 5,665,342</u>	<u>\$ 3,616,909</u>

**SCHEDULE OF PROFESSIONAL STANDARDS EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

**Schedule 4**

	<b>2025</b>	<b>2024</b>
Awards banquet	\$ 94,011	\$ 87,297
Awards committee	215	-
Compliance committee	14,158	3,035
Constituent grants	73,245	63,828
Corporate registration	44,499	59,117
Discipline committee	28,823	14,466
Discipline hearing	12,522	13,055
Enforcement	12,649	5,685
General professional standards	828,310	932,363
Investigation committee	127,628	65,318
Member PD grants	80,000	15,000
New membership luncheon	1,489	60
Professional development committee	17,535	17,120
Professional development events	134,499	88,641
Professional standards	168	248,529
Salary survey	8,305	8,300
	<u>\$ 1,478,056</u>	<u>\$ 1,621,814</u>

**ASSOCIATION OF PROFESSIONAL ENGINEERS AND  
GEOLOGICISTS OF SASKATCHEWAN  
SCHEDULE OF REGISTRATION EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2025**  
(with comparative figures for the year ended December 31, 2024)

**Schedule 5**

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	<b>2025</b>	<b>2024</b>
Academic assessment	\$ 58,320	\$ 96,145
Experience assessment	124,662	104,022
General registration	1,297,326	1,211,516
MIT applicant management	82	26,181
PMEM applicant management	67,890	56,317
	\$ 1,548,280	\$ 1,494,181

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