Annual Report for 2024-25

Global Transportation Hub

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Letters of Transmittal

The Honourable
David Marit
Minister Responsible for the
Global Transportation Hub

Office of the Lieutenant Governor of Saskatchewan

I respectfully submit the Annual Report for the Global Transportation Hub for the fiscal year ending March 31, 2025.

Honourable David Marit
Minister Responsible for the Global Transportation Hub

Daniel Hersche
President & CEO
Global Transportation Hub

To: The Honourable David Marit
Minister Responsible for the Global Transportation Hub

Dear Minister:

I have the honour of submitting the Annual Report of the Global Transportation Hub Authority for the fiscal year ending March 31, 2025.

Daniel Hersche
President & CEO of the Global Transportation Hub

Overview of the Global Transportation Hub

The Global Transportation Hub (GTH) was established in accordance with *The Global Transportation Hub Authority Act* in August 2013 with a statutory mandate to:

(a) support the economic and social development of Saskatchewan by planning, developing, constructing, managing, regulating, operating, marketing, and promoting a competitive, economic, integrated, and efficient transportation logistics hub that is consistent with safety and environmental standards; and

(b) perform any other duties and carry out any other functions that may be assigned to the authority by an Act or the Lieutenant Governor in Council.

The GTH stands as a cornerstone of Saskatchewan's economic development strategy, acting as a powerful catalyst for investment, innovation, and growth. At the GTH we offer a secure, strategically located inland port with world-class infrastructure and a commitment to service excellence. Our multi-modal access—paired with competitively priced industrial land and streamlined regulatory processes, ensures businesses reach global markets faster, safer, and more efficiently.

The GTH is well-suited for a diverse range of industries including: agri-food processing, transportation and logistics, warehousing and distribution, manufacturing as well as industrial services. Over the past five years, it has accounted for more than half of all development land sales in the Regina region, reinforcing its status as the premier destination for economic expansion in the area.

Since inception, private-sector capital investment at the GTH has exceeded $1.8 billion, with construction-related employment projected to peak at over 1,000 jobs. This momentum has continued, with active land and site development drawing both new and complementary businesses to the region. The sustained growth highlights the GTH's role as a dynamic hub for economic opportunity.

To meet global demand, Saskatchewan continues to produce increasing quantities of food, fuel, and fertilizer and the GTH plays a vital role in connecting these essential resources to international markets. This reinforces its significance within the province's trade and export ecosystem.

Growth Plan Alignment

The GTH plays a pivotal function in advancing Saskatchewan's economic competitiveness and supporting the province's long-term growth strategy. By enabling efficient trade and export logistics, the GTH strengthens Saskatchewan's global market presence, enhances its agricultural advantage, supports workforce development, fosters small and local business growth, and contributes to building critical infrastructure.

With strategically located land, integrated facilities, and exceptional accessibility; the GTH provides a centralized platform that supports the province's economic ambitions. Its commitment to organizational excellence and long-term impact aligns directly with several key goals outlined in the Government of Saskatchewan's Growth Plan: *The Next Decade of Growth 2020-2030.*

Saskatchewan has already surpassed several of its Growth Plan targets:

- Exports to global markets reached $49.3 billion in 2023, exceeding the 2030 goal of $46 billion.
- The number of international markets with over $1 billion in exports increased from five in 2019 to nine in 2023.
- Agri-food exports hit $20.2 billion in 2023, surpassing the 2030 target of $20 billion.
- The province is on track to meet its goal of processing 75% of its canola domestically by 2030, supported by major investments in processing capacity.
- Private capital investment is projected to reach $14.2 billion by the end of 2024, a 14.4% increase over 2023—the highest projected growth rate in Canada.

The GTH is instrumental in enabling these achievements by providing the infrastructure, connectivity, and investment-ready environment necessary to support trade, innovation, and economic expansion.

Progress in 2024-25

Land Sale and Construction Activity

Development at the GTH continued at a strong pace throughout 2024–25. A large portion of the land footprint had extensive activities related to roads, rail, utility services, and land development. Highlights include:

Cargill's Canola Crush Facility: The largest project currently underway at the footprint is Cargill's Canola Crush Facility—the company's most significant construction project in Canada and the largest in its global history. As of 2024, the project surpassed the 50% construction completion milestone, with operations expected to begin later this year. Groundbreaking took place in July 2022.

Once operational, the facility will have the capacity to process one million metric tonnes of canola annually, producing crude canola oil for food and biofuel markets, and canola meal for animal feed.

To support this development, Cargill has collaborated with the GTH to establish dual rail access to the site—enhancing connectivity and creating synergies with existing rail infrastructure. This strategic investment not only improves market access for canola oil and meal pellets but also introduces a new delivery point for canola seed into the region, offering greater flexibility and opportunity for farmers across the prairies and Western Canada. The scale and scope of this project will generate significant interest in future development opportunities at the GTH.

SaskPower's Regina Operations and Maintenance Complex: Phase Two of SaskPower's Regina Operations and Maintenance Complex (ROMC) is currently underway. Phase One completed in 2024, saw the relocation of SaskPower's fleet, metering services, and logistics teams.

Phase Two will consolidate SaskPower's transmission, distribution, and safety groups into a centralized facility. Once complete, the complex will accommodate approximately 500 employees and serve as a major operational base. PCL Construction Management Inc. was awarded a $95 million contract for Phase Two with completion expected in 2026. The ROMC will span nearly 500,000 square feet across 110 acres, replacing aging infrastructure and streamlining operations across seven buildings.

4Tracks Ltd. Operations Facility: In fall 2024, 4Tracks Limited opened its new 16,250-square-foot office, warehouse, and wash bay facility situated on a portion of a 15-acre parcel. The Winnipeg-based logistics company is a key delivery partner for neighboring Loblaws operations.

The facility features modern amenities including open-plan workspaces, breakout rooms, and team meeting zones. Due to higher-than-expected business volumes, 4Tracks expanded its footprint with an additional 5.2-acre land purchase in early 2025—validating its long-term growth strategy in Saskatchewan.

United Farmers of Alberta Cardlock: Construction is underway on a new UFA petroleum cardlock, scheduled for completion in 2025. This will be UFA's ninth cardlock location in Saskatchewan. The facility will feature high-speed satellite pumps, wide lanes, and overnight amenities including modern shower and washroom facilities.

The cardlock will serve the GTH's commercial tenants—including transport companies, warehousing and distribution businesses, and agri-food processors. UFA noted it selected the GTH for its favorable business environment, robust infrastructure, and access to new markets.

Trade Connectivity

As Saskatchewan's premier inland port, the GTH plays a vital role in connecting the province's goods to global markets. Saskatchewan's economy continues to grow, driven by strong performance in agriculture, energy, mining, and transportation. In 2025, the province's GDP is projected to reach $81.6 billion, marking a 2.3% increase over 2024.

The GTH is instrumental in supporting this growth by facilitating the efficient export of Saskatchewan's products. By strengthening trade routes to Pacific ports and Eastern Canada, the GTH enables greater access to non-U.S. markets, including Asia and Europe, helping to diversify trade and reduce reliance on U.S. exports. These strategic connections enhance Saskatchewan's global competitiveness, mitigate tariff-related risks, and reinforce Canada's reputation as a reliable and stable trade partner.

In addition to promoting global trade, the GTH's designated Foreign Trade Zone bolsters interprovincial commerce by reducing domestic trade barriers and improving supply chain efficiency across Canada. This makes it easier for Canadian businesses to operate across provincial borders and strengthens national economic integration.

As a logistics hub, the GTH is well-positioned to attract value-added processing and manufacturing, reducing the export of raw commodities to tariff-prone markets. This shift supports domestic value capture, job creation, and economic resilience.

Financial Results

The GTH continued to strengthen its financial position in 2024–25, reporting a net income of $1.82 million. This performance reflects sustained momentum in land sales and development activity over the past three years. During the fiscal year, the GTH successfully reduced its debt-to-equity ratio from 0.59 to 0.53 and made an additional $1 million in debt repayments. These achievements underscore the organization's commitment to long-term financial sustainability and effective cost management. With a solid financial foundation in place, the GTH is well-positioned to maintain its world-class

infrastructure and attract further private-sector investment, supporting continued economic growth across the region and the province.

Locally Sourced

The GTH is home to a diverse mix of long- and short-haul transportation companies, warehousing and distribution operations, and agri-food processing businesses—all contributing to the strength and vitality of Saskatchewan's economy.

More than just a logistics and industrial hub, the GTH is a powerful engine for skilled job creation. It supports primary employment through its tenant operations and drives secondary and tertiary job growth throughout the region and province.

A robust network of Saskatchewan-based contractors is central to the GTH's ongoing development. In the past year alone, over 1,000 construction workers have been employed on projects within the hub—demonstrating the scale of local engagement and investment. This deep integration of local expertise and services underscores the GTH's commitment to building Saskatchewan's economy from the ground up—both literally and figuratively.

Governance

The GTH Board of Directors is responsible for setting direction and guiding the inland port authority in fulfilling its mandate as well as setting goals and objectives for corporate performance. The Board reviews performance and assists in the development of key strategic priorities. Members of the GTH Board are as follows:

Terry Baker, Chair – Mr. Baker, ICD.D is the President of Franklin Land & Cattle Co., a century old mixed farm located in West Central Sask. A non-practicing Civil Engineer, he was the former Chair of Saskatchewan Wheat Pool, the founding Chair of Viterra, long serving board member of Nutrients For Life Canada and the former chair of the Saskatchewan Health Research Foundation. Mr. Baker currently serves as Chair of Agrivita, Canada's national not-for-profit corporation promoting health and safety research and its effective application to the agricultural sector and as Vice Chair of the Board of the Canadian Centre for Rural and Agricultural Health at the University of Saskatchewan.

Nithi Govindasamy, Vice-Chair – Mr. Govindasamy is an executive leader and long-time civil servant, who retired as Deputy Minister, Ministry of Highways for the Saskatchewan government in 2017. His 35-year public sector career included leadership roles as Associate Deputy Minister of Saskatchewan Ministry of Agriculture and Executive Director of Policy in Alberta Agriculture. Mr. Govindasamy served as a senior advisor at the GTH where he introduced the organization to his national and international agriculture network. Mr. Govindasamy has served as a Director of the Canadian Agricultural Hall of Fame. Mr. Govindasamy continues to provide advisory services to senior executives in the government of Saskatchewan. In recognition of his valuable contribution to the province of Saskatchewan, Mr. Govindasamy was awarded the Queen Elizabeth 11 Platinum Jubilee Medal.

Valerie Sluth – Ms. Sluth, MBA, FCMC, ICD.D, is the founder and CEO of Praxis Consulting Inc., a national management consulting and market research firm with head office in Regina. Val's 35 year career has afforded her the opportuity to provide advisory services across Canada including private, public, crowns, Indigenous entities, and NGOs. Her practice areas include corporate strategy, governance, and engagement. Val has served as the RBC Executive Women in Residence at the Hill and Levene Schools of Business, and has held multiple board positions including past chair of the Saskatchewan Chamber of Commerce, Canadian Chamber Insurance Council of Canada, past Director with Canadian Chamber of Commerce, and past Canadian trustee to the International Council of Management Consulting Institutes.

John Dipple – Mr. Dipple has extensive experience as a legal professional advising senior management and boards of national and international corporations, crown corporations, provincial & municipal governments and other public sector organizations on a range of legal matters, including on project development and governance. He led legal teams on major construction and infrastructure projects in Canada and the United States. He retired from MLT Aikins after a 35 year legal career with the firm. He has also served as a director on provincial and national non-profit boards, as well as many other community organizations.

Micheal Hoffort - Mr. Hoffort, P.Ag, ICD.D, is a dedicated and collaborative executive leader with over 35 years of experience, including eight years as President and CEO of Farm Credit Canada (FCC). He also served as a full member of the FCC board during that time, supporting and participating in key conversations. Michael has also served as chair for the ad hoc Aviation Committee for Stars Air Ambulance, and the chair of the Audit and Finance Committee for Special Olympics Saskatchewan. Mr. Hoffort currently serves as a director on the board of a privately owned agriculture manufacture, as well as on the boards of two non-profit community organizations.

2024-25 Financial Overview

Global Transportation Hub

Management's Responsibility for the Financial Statements
For the Twelve Month Period Ended March 31, 2025

The accompanying financial statements are the responsibility of the management of the Global Transportation Hub (GTH). They have been prepared in accordance with generally accepted accounting principles for the public sector, using management's best estimates and judgments, where appropriate. Management is responsible for the reliability and integrity of the financial statements, the notes to the financial statements and other financial information contained in this report.

Management is also responsible for maintaining a system of internal controls, policies and procedures designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The GTH Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. The Provincial Auditor of Saskatchewan expresses an independent opinion on these statements and their report follows.

On behalf of the GTH,

Daniel Hersche
President and Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

Opinion

We have audited the financial statements of the Global Transportation Hub Authority (GTHA), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, change in net financial debt, 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 GTHA as at March 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 GTHA in accordance with the 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.

Emphasis of Matter

We draw attention to Note 15 in the financial statements, which describes the impacts of the correction of an error in prepaid expenses and land development expenses. The GTHA appropriately restated prior period comparative amounts. Our opinion is not modified in respect of this matter.

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 public sector accounting standards for Treasury Board's approval, 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 GTHA'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 GTHA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the GTHA'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

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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 GTHA'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 GTHA'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 GTHA 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 identified during the audit.

Regina, Saskatchewan
May 30, 2025

Tara Clemett, CPA, CA, CISA
Provincial Auditor
Office of the Provincial Auditor

Statement 1
GLOBAL TRANSPORATION HUB AUTHORITY

Statement of Financial Position

As at March 31, 2025
(thousands of dollars)

	2025	2024 Restated (Note 15)
Financial assets		
Cash	$ 11,440	$ 2,089
Accounts receivable (note 11)	1,844	1,090
	13,284	3,179
Financial liabilities		
Accounts payable & accrued liabilities	13,129	4,641
Payable to Ministry of Highways (note 10)	2,860	2,860
Customer deposit	10	10
Deferred revenue	3	3
Term debt (note 4)	18,000	19,000
	34,002	26,514
Net financial debt	(20,718)	(23,335)
Non-financial assets		
Prepaid expenses (note 5)	5,813	5,975
Property held for sale (note 6)	22,152	22,154
Tangible capital assets (note 9)	27,004	27,629
	54,969	55,758
Accumulated surplus (Statement 2)	**$ 34,251**	**$ 32,423**

Contractual obligations (note 7)
Contractual rights (note 8)
(See accompanying notes to the financial statements)

Statement 2
GLOBAL TRANSPORATION HUB AUTHORITY

Statement of Operations

For the Year Ended March 31, 2025
(thousands of dollars)

	2025 Budget (Note 3)	2025	2024 Restated (Note 15)
Revenue			
Land sales	$ 4,500	$ 3,374	$ 5,700
Land leases	8	8	8
Property tax	4,410	4,225	3,696
Permits and fees	10	317	445
Other	174	504	292
Government Transfer (Note 14)	15,000	15,000	-
	24,102	23,428	10,141
Expenses (Note 12)			
Land and development costs	1,560	877	2,157
Authority management	2,028	2,239	3,091
Permits and fees	59	331	146
Professional services	534	454	843
Operating expenses	2,542	2,699	2,574
Other expenses (Note 14)	15,000	15,000	-
	21,723	21,600	8,811
Annual surplus (deficit)	**2,379**	**1,828**	**1,330**
Accumulated surplus, beginning of year	32,423	32,423	31,093
Accumulated surplus, end of year (Statement 1)	**$ 34,802**	**$ 34,251**	**$ 32,423**

(See accompanying notes to the financial statements)

Statement 3
GLOBAL TRANSPORATION HUB AUTHORITY

Statement of Change in Net Financial Debt

For the Year Ended March 31, 2025
(thousands of dollars)

	2025 Budget (Note 3)	2025	2024 Restated (Note 15)
Annual surplus (deficit)	$ 2,379	$ 1,828	$ 1,330
Additions to tangible capital assets	(3,855)	-	(2,155)
Disposal of tangible capital assets	-	-	-
Reclassification of tangible capital assets	-	-	(387)
Amortization of tangible capital assets	663	625	601
	(3,192)	625	(1,941)
Reduction to property held for sale	2,680	2	387
Sale of property held for sale	-	-	-
(Increase) decrease of prepaid expenses	(82)	162	(556)
Decrease (increase) in net financial debt	1,785	2,617	(780)
Net financial debt – beginning of year	(23,335)	(23,335)	(22,555)
Net financial debt – end of year	**$ (21,550)**	**$ (20,718)**	**$ (23,335)**

(See accompanying notes to the financial statements)

Statement 4
GLOBAL TRANSPORATION HUB AUTHORITY

Statement of Cash Flows

For the Year Ended March 31, 2025
(thousands of dollars)

	2025	2024 Restated (Note 15)
Cash used in operations		
Annual surplus (deficit)	$ 1,828	$ 1,330
Non-cash items in annual deficit		
Amortization expense	625	601
Changes in working capital		
Accounts receivable	(754)	(367)
Property held for sale	2	387
Accounts payable & accrued liabilities	8,488	2,020
Customer deposit	-	(14)
Deferred revenue	-	(10)
Prepaid expenses	162	(556)
	10,351	3,391
Cash flows used in capital activities		
Additions to tangible capital assets	-	(2,155)
Property held for sale	-	(387)
Disposal of tangible capital assets	-	-
	-	(2,542)
Cash flows from financing activities		
Repayment of long term debt	(1,000)	(3,000)
	(1,000)	(3,000)
Total cash outflows during year	9,351	(2,151)
Cash, beginning of year	2,089	4,240
Cash, end of year	**$ 11,440**	**$ 2,089**
Interest paid	$ 1,098	$ 1,322

(See accompanying notes to the financial statements)

Notes to the Financial Statements

1. Status of Global Transportation Hub Authority

The Global Transportation Hub Authority (the "GTHA") was established as a Treasury Board Crown corporation by Order in Council 492/2009 dated June 24, 2009. Effective August 6, 2013 the *Global Transportation Hub Authority Act* was passed and gives the GTHA authority over land use, planning and regulation, infrastructure asset ownership and rights to property taxes.

The GTHA holds a mandate to advise on, plan, develop, construct, operate, manage, and promote Saskatchewan's Global Transportation Hub in a manner that:

- creates an investment and operating environment for business that is secure, efficient, coordinated, and orderly; and,
- is consistent with the social and economic development of the province.

2. Significant Accounting Policies

Pursuant to standards established by the Public Sector Accounting Board, the GTHA is classified as an other government organization. These financial statements are prepared using Canadian public sector accounting standards. The statement of re-measurement gains and losses has been omitted as there were no relevant transactions to report.

The following policies are considered significant:

a) Revenue

Property sales (i.e., land, building) are recognized as revenue when the risk and rewards of ownership are transferred and the amount can be reasonably estimated and collectability is reasonably assured. Property tax revenues are recognized as they are earned. Land lease revenues are recognized over the term of the lease in the period they are earned. Permit and other revenue is recognized as revenue in the year it is earned.

Deferred revenue relating to building and development permits is billed at the outset of construction and is recognized into revenue as the permitting process occurs throughout construction.

Government transfers are recognized as revenues when the transfer is authorized, all eligibility criteria have been met, except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. Transfers with stipulations that meet the definition of a liability are recorded as deferred revenue and recognized as revenue in the consolidated statement of operations and accumulated surplus from operations as the stipulation liabilities are settled.

b) Land and Development Costs

Land and development cost expense are recognized in the year that the associated land sales revenue is recognized. This excludes City of Regina transportation and water servicing fees which are set up as a prepaid expense and expenses are recognized as planned projects within the agreement are completed.

The cost of land sales relates to the initial purchase, grading costs and contributions to regional infrastructure improvements directly associated with the land sold. Costs related to land development for roads, undergrounds and other infrastructure constructed on common lands are capitalized and amortized over their useful lives.

c) Property Held for Sale

Property held for sale is made up of land to be sold in future periods. Land held for sale consists of the costs of acquiring land held for sale, grading, utility connections, and municipal reserve costs incurred on any land to be sold. All inventories are held at the lower of cost or net realizable value. Property held for sale that is recorded as a non-financial asset is due to the uncertainty surrounding the sale of property within the next twelve months. Property Held for Sale recorded as a financial asset is reasonably anticipated that the sale to a purchaser external to another government entity will be completed within one year of the financial statement date and meet all other criteria outlined in Canadian public sector accounting standards section 1201.55.

d) Tangible Capital Assets

Tangible capital assets are recorded at cost. Normal maintenance and repairs are expensed as incurred. Tangible capital assets, excluding land, with a life exceeding one year, are amortized on a straight-line basis over their estimated useful lives as follows:

Roadways	40 years
Undergrounds	75 years
Storm water management	100 years
Fixtures and equipment	1 – 20 years

Leasehold improvements are amortized over the remaining lease period.

e) Pensions

GTHA employees participate in the Public Employees' Pension Plan (PEPP) which is a defined contribution pension plan. The GTHA follows defined contribution plan accounting for its participation in the plan. Accordingly, the GTHA expenses all contributions (8.6% of employee salaries) it is required to make in the year.

f) Measurement Uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of financial 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 the Statement of Operations in the period in which they become known.

g) Financial Instruments

All financial instruments are measured at amortized cost.

h) New Accounting Standards

The following new accounting standard will be coming into effect as of the date indicated below:

The Conceptual Framework for Financial Reporting in the Public Sector (effective April 1, 2026), which builds upon the previous conceptual framework to a new foundation for public sector financial reporting standard setting.

PS 1202 Financial Statement Presentation (effective April 1, 2026) establishes requirements for the presentation of information in general purpose financial statements.
The GTHA plans to adopt both standards on the effective date and has plans to analyze the impact this will have on these financial statements.

3. Budget Approval

The budget figures are presented for comparison purposes. The GTHA's 2024-25 budget was approved by the Board of Directors on December 14, 2023.

4. Bank Indebtedness and Term Debt

A line of credit operating loan of $7.5 million (at prime rate less .50%) has been approved. The balance outstanding as at March 31, 2025 is $0 (March 31, 2024 – $0), and is repayable on demand. Prime rate at March 31, 2025 is 4.95% (March 31, 2024 – 7.20%).

Term debt is as follows:

	2025	2024
Royal Bank Loan with interest at prime rate less .50%	$ 18,000	$ 19,000

The loan term was extended during the year; the loan is repayable in full on the earlier of receipt of the net proceeds on sale of developed land or August 31, 2025.

5. Prepaid Expenses

During fiscal 2019, an agreement was signed with the City of Regina to provide water, wastewater and transportation services. An initial payment of $3,350 was made to compensate the City for actual benefits received to date and the GTHA's portion of planned future projects based on the GTHA's current impact. The portion that relates to the future expense associated with planned projects is recorded as a prepaid expense.

6. Property Held for Sale

Of the estimated remaining 478 acres to be sold or leased, 284 acres were assembled and are currently held by the Ministry of Highways (MH) and exclusive of GTHA statements. As this land is sold to clients, MH is compensated by the GTHA for all costs incurred. The remaining 194 acres are held by the GTHA.

7. Contractual Obligations

Contractual obligations include:

		2025		2024
Associated Engineering	$	457	$	276
Clean Landscapes (EcoCare)		268		268
CIR Commercial Realty Inc. (Colliers)		98		210
Total	**$**	**823**	**$**	**754**

The above contractual obligations do not include those contracts which are paid on a usage basis. The GTHA has also entered into three separate contracts with the City of Regina: two five year contracts expiring December 31, 2029 for the provision of fire services and assessment and collection of property taxes, and a contract expiring December 31, 2040 for the provision of water and sewer servicing for which service fees are calculated based on up to date information each year.
During 2014-15 the GTHA entered into a 15-year lease for head office space. Non-cancellable operating lease payments are as follows (thousands of dollars):

2026	$ 109
2027	109
2028	109
2029	109
2030	63
Total	**$ 499**

During the year ended March 31, 2025 the Authority recognized $0 (2024 - $0) as rent expense related to operating leases. This property has been subleased to an external party as discussed in Note 8.

8. Contractual Rights

During 2019-20, the GTHA entered into a sublease agreement with an external party for the use of its head office which expires in 2029. As at March 31, 2025, the remaining rent payments to the end of the term of the sublease are $403 (2024 - $481). GTHA recorded a liability of $96 (2024 - $122) to reflect the fact that the rent payments under the sublease do not offset the operating lease payments associated with its head office lease.

9. Tangible Capital Assets

	2024-25						2023-24
	Leasehold improvements	Roadways	Undergrounds	Storm water management	Fixtures and Equipment	Total	Total
Opening cost	$ 1,310	$ 19,357	$ 10,425	$ 3,809	$ 570	$ 35,471	$ 32,929
Additions during the year	-			-	-	-	2,542
Disposals during the year	-	-	-	-	-	-	-
Closing cost	$ 1,310	$ 19,357	$ 10,425	$ 3,809	$ 570	$ 35,471	$ 35,471
Opening accumulated amortization	$ 1,310	$ 4,273	$ 1,414	$ 306	$ 539	$ 7,842	$ 7,241
Annual amortization cost	-	446	138	38	3	625	601
Amortization related to disposals	-	-	-	-	-	-	-
Closing accumulated amortization	$ 1,310	$ 4,719	$ 1,552	$ 344	$ 542	$ 8,467	$ 7,842
Net book value of tangible capital assets	$ -	$ 14,638	$ 8,873	$ 3,465	$ 28	$ 27,004	$ 27,629

10. Payable to Ministry of Highways

The amount payable of $2,860 to the Ministry of Highways (MH) was formerly held as deferred revenue for the use of land to obtain borrow material to be used in road construction. During 2017-18

the MH relinquished this right and the Authority agreed to repay this amount at a per acre rate as the first 55 acres of land within designated parcels of land are sold.

11. Financial Instruments

The GTHA's financial assets consist of cash and accounts receivable. Financial liabilities consist of accounts payable, customer deposits and debt.

Financial risk management

The Board of Directors ensures that the GTHA has identified its major risks and ensures that management monitors and controls them. The Board of Directors oversees the GTHA's systems and practices of internal control, and ensures that these controls contribute to the assessment and mitigation of risk.

The GTHA has exposure to the following risks from its use of financial instruments: credit risk, interest rate risk and liquidity risk.

a) Credit risk

The GTHA is exposed to credit risk from the potential non-payment of accounts receivable. The GTHA's receivables are primarily from the companies who have purchased land or property tax revenues receivable.

The carrying amount of accounts receivable represents the maximum credit exposure as follows:

	2025	2024
Accounts receivable	$ 1,844	$ 1,090

The GTHA manages its credit risk surrounding accounts receivable by dealing solely with reputable customers and ensuring security.

Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect impairment on collectability.

b) Interest rate risk

Financial liabilities with variable interest rates expose the GTHA to cash flow interest rate risk. The GTHA's debt outstanding as at March 31, 2025 has a variable interest rate.

Although management monitors exposure to interest rate fluctuations, it does not employ any interest rate management policies to counteract interest rate fluctuations.

As at March 31, 2025 had prevailing interest rates increased or decreased by 1% it would result in a change in annual interest payments of $180

c) Liquidity risk

Liquidity risk is the risk that the GTHA will not be able to meet its financial obligations as they become due.

The GTHA manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities.

The term debt and line of credit operating loan are the principal instruments used to monitor and manage the liquidity risk, as discussed in Note 4.

12. Expenses by Object

	2025 Budget	2025	2024 Restated (Note 15)
Salaries & benefits	$ 458	$ 508	$ 219
Purchased goods and services	19,406	19,369	6,669
Interest	1,235	1,098	1,322
Amortization	624	625	601
Total	**$ 21,723**	**$ 21,600**	**$ 8,811**

13. Pension Contributions

During the year, the GTHA contributed $0 (2024 - $0) to PEPP.

14. Government Transfer

On June 17, 2024, the GTHA received a government transfer of $15 million from SaskBuilds Corporation for the sole purpose of facilitating expenditures related to rail infrastructure upgrades, modifications, and construction to link the Canadian National Railway Company (CN) and the Canadian Pacific Railway (CP) mainlines located near the GTHA. As of March 31, 2025, a total amount of $15 million has been committed and expensed.

15. Adjustment to Accumulated Surplus

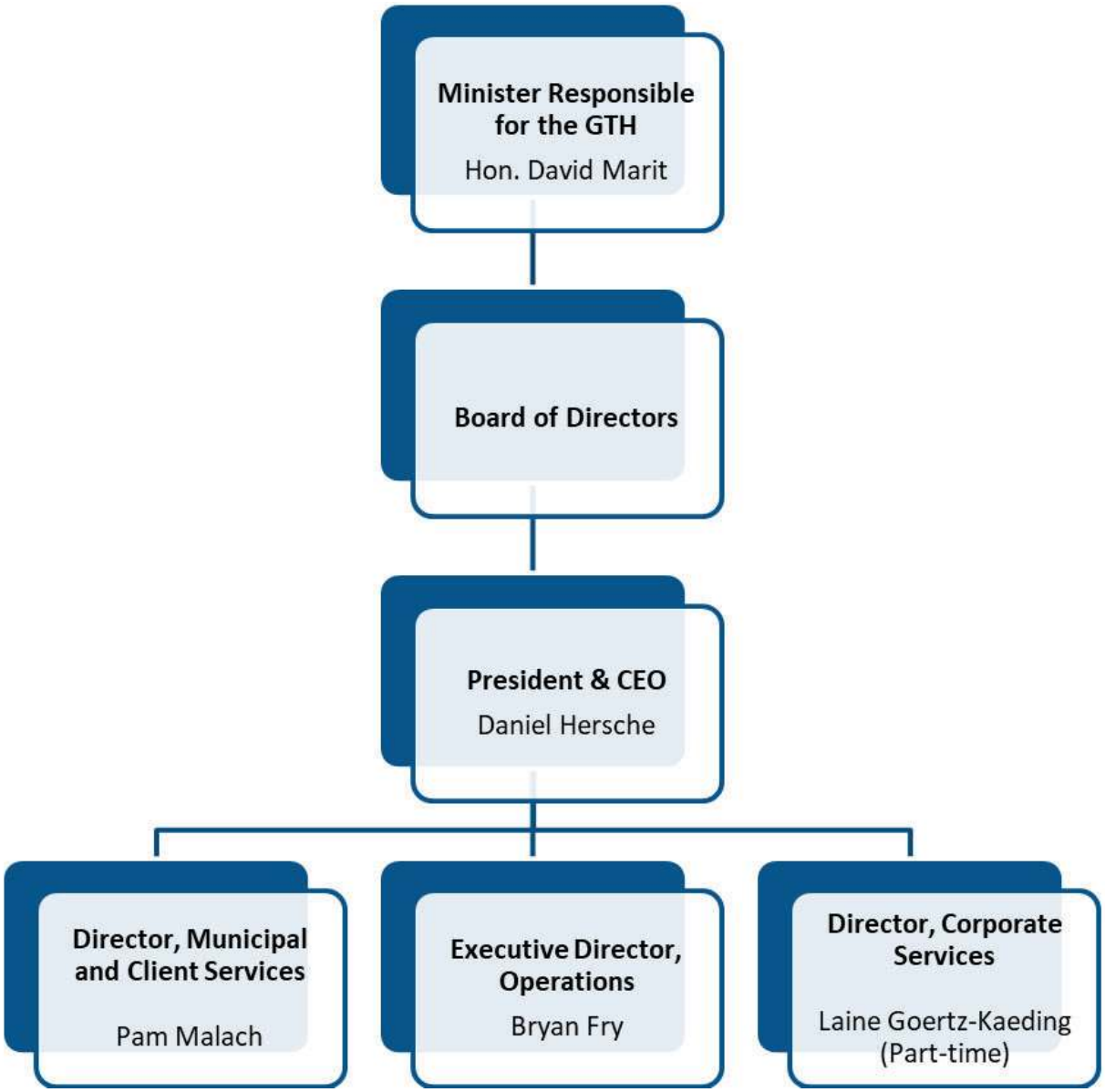
The GTHA did not record prepaid expenses of $3,280 for obligations of the City of Regina for $3,172 in 2022-23 and $108 in 2023-24 fiscal year periods. The financial statements have been corrected for the error by restatement of prior period comparative amounts. The impact on the financial statements is summarized as follows:

	Previously Stated March 31, 2024	Increase (Decrease)	Restated March 31, 2024
Accumulated surplus, beginning of year 2023-24	$ 27,921	$ 3,172	$ 31,093
Prepaid Expenses 2023-24	2,695	3,280	5,975
Land and Development Expenses 2023-24	2,265	(108)	2,157

Appendix A:

GTH Organizational Chart

As of March 31, 2025



Appendix B:

Payee Report

Employees

Individual payees are reported where remuneration paid to them totals at least $50,000. Remuneration includes salaries, wages, bonuses, payments in lieu of notice, vacation payouts and other taxable benefits paid to employees with a minimum threshold of $50,000. Payments of pension funds to, or on behalf of, active or retired employees are not reported.

Employee	Remuneration
FRY, BRYAN	169,945
HERSCHE, DANIEL	160,160
MALACH, PAM	144,261

Suppliers and Other Payments

Individual payees are reported where the sum of payments to them total at least $50,000.

Vendor	Remuneration
ASSOCIATED ENGINEERING LTD	666,566
CANADA REVENUE AGENCY	72,630
CGI REALTY ADVISORS LTD	152,716
CIR COMMERCIAL REALTY	364,080
CITY OF REGINA	801,025
CPKC RAIL	5,000,000
ECOCARE LTD.	487,939
MINISTRY OF HIGHWAYS & INFRASTRUCTURE	143,611
MLT AIKINS	191,346
PROFESSIONAL BUILDING INSPECTIONS, INC	370,138
SASKPOWER	388,235
SASKWATER	1,034,273