

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Financial Statements**  
**December 31, 2025**

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Index to Financial Statements**  
**Year Ended December 31, 2025**

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LYNCH  
RUTHERFORD  
TOZER

CHARTERED  
PROFESSIONAL  
ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Ganaraska Region Conservation Authority

### *Opinion*

We have audited the financial statements of Ganaraska Region Conservation Authority (the Authority), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, changes in accumulated surplus, changes in net financial 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 Authority as at December 31, 2025, and the results of its operations and 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 Authority in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, 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 Authority'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 Authority or to cease operations, or has no realistic alternative but to do so.

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

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 Authority'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 Authority 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.

Port Hope, Ontario  
February 19, 2026



Chartered Professional Accountants  
Licensed Public Accountants

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Statement of Financial Position**  
**As at December 31, 2025**

	2025	2024
<b>Financial assets</b>		
Cash	\$ 3,753,895	\$ 3,490,114
Accounts receivable (Note 3)	565,194	199,563
Term deposits (Notes 4, 8)	464,543	449,455
	<b>4,783,632</b>	<b>4,139,132</b>
<b>Liabilities</b>		
Accounts payable (Note 6)	619,795	611,133
Deferred revenue	961,356	539,381
	<b>1,581,151</b>	<b>1,150,514</b>
<b>Net financial assets</b>	<b>3,202,481</b>	<b>2,988,618</b>
<b>Non-financial assets</b>		
Prepaid expenditures	2,210	2,014
Tangible capital assets (Note 7)	6,010,248	6,126,662
	<b>6,012,458</b>	<b>6,128,676</b>
<b>Accumulated surplus (Note 9)</b>	<b>\$ 9,214,939</b>	<b>\$ 9,117,294</b>

ON BEHALF OF THE BOARD

\_\_\_\_\_ Chair

\_\_\_\_\_ Vice-Chair

The accompanying notes form an integral part of these financial statements

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Statement of Operations**  
**Year Ended December 31, 2025**

	Budget (Unaudited) 2025 (Note 13)	Total (Audited) 2025	Total (Audited) 2024
<b>Revenues</b>			
Municipal levies			
General	\$ 1,318,251	\$ 1,318,251	\$ 1,279,854
Benefiting	961,354	801,048	556,066
Government grants			
MNR transfer payments	51,863	51,863	51,863
Employment programs and other	18,800	24,026	16,116
Other grants	-	-	17,220
User fees and sales			
Ganaraska Forest timber sales	250,000	280,437	447,235
Watershed Stewardship	338,118	160,182	177,822
Ganaraska Forest Centre	566,200	643,021	722,223
Watershed Services	524,635	422,019	236,284
Forest Membership and Sales	364,000	315,485	340,005
Water Resources fees	221,685	195,370	241,200
Other			
Investment income	4,000	105,830	155,761
Sundry and other income	162,500	135,527	254,066
Trent Conservation Coalition Source Protection	86,706	88,254	94,855
Treetop Trekking lease and rental space	36,000	41,049	44,051
Donations	4,610	5,892	324,117
Building for Change donations	2,000	13,991	8,120
	<u>4,910,722</u>	<u>4,602,245</u>	<u>4,966,858</u>
<b>Expenditures</b>			
Watershed Management and Health Monitoring	1,757,403	1,342,132	994,752
Environmental Advisory Services	365,190	346,749	339,214
Watershed Stewardship	403,612	184,594	226,346
Passive Recreation	376,155	254,822	325,057
Ganaraska Forest	925,794	896,683	860,578
Ganaraska Forest Centre	625,499	616,778	713,816
Corporate Services	641,074	610,444	568,482
Amortization of tangible capital assets	-	252,398	238,985
	<u>5,094,727</u>	<u>4,504,600</u>	<u>4,267,230</u>
<b>Annual surplus (deficit)</b>	<u>\$ (184,005)</u>	<u>\$ 97,645</u>	<u>\$ 699,628</u>

The accompanying notes form an integral part of these financial statements

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Statement of Changes in Accumulated Surplus**  
**Year Ended December 31, 2025**

	2025	2024
<b>Accumulated surplus - beginning of year</b>	<b>\$ 9,117,294</b>	<b>\$ 8,417,666</b>
Surplus for the year	<b>97,645</b>	699,628
<b>Accumulated surplus - end of year</b>	<b>\$ 9,214,939</b>	<b>\$ 9,117,294</b>

The accompanying notes form an integral part of these financial statements

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Statement of Changes in Net Financial Assets**  
**Year Ended December 31, 2025**

	2025	2024
<b>Surplus for the year</b>	<b>\$ 97,645</b>	<b>\$ 699,628</b>
Amortization of tangible capital assets	252,398	238,985
(Gain) loss on disposal of tangible capital assets	(6,650)	20,701
Purchase tangible of capital assets	(135,984)	(187,985)
Proceeds on disposal of tangible capital assets	6,650	14,500
(Increase) decrease in prepaid expenditures	(196)	2,464
	<u>116,218</u>	<u>88,665</u>
<b>Increase in net financial assets</b>	<b>213,863</b>	<b>788,293</b>
<b>Net financial assets, beginning of year</b>	<b>2,988,618</b>	<b>2,200,325</b>
<b>Net financial assets, end of year</b>	<b>\$ 3,202,481</b>	<b>\$ 2,988,618</b>

The accompanying notes form an integral part of these financial statements

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Statement of Cash Flows**  
**Year Ended December 31, 2025**

	2025	2024
<b>Operating activities</b>		
Surplus for the year	\$ 97,645	\$ 699,628
Items not affecting cash:		
Amortization of tangible capital assets	252,398	238,985
(Gain) loss on disposal of tangible capital assets	(6,650)	20,701
	<u>343,393</u>	<u>959,314</u>
Changes in non-cash working capital:		
Accounts receivable	(365,631)	305,037
Prepaid expenditures	(196)	2,464
Accounts payable	8,662	110,970
Deferred revenue	421,975	(322,493)
	<u>64,810</u>	<u>95,978</u>
Cash flow from operating activities	<u>408,203</u>	<u>1,055,292</u>
<b>Investing activities</b>		
Purchase of tangible capital assets	(135,984)	(187,985)
Proceeds on disposal of tangible capital asset	6,650	14,500
Purchase of term deposit	(409,306)	(388,469)
Maturity of term deposit	388,469	17,101
(Increase) decrease in accrued interest	5,749	(13,801)
Cash flow used by investing activities	<u>(144,422)</u>	<u>(558,654)</u>
<b>Increase in cash flow</b>	<b>263,781</b>	<b>496,638</b>
Cash, beginning of year	<u>3,490,114</u>	<u>2,993,476</u>
<b>Cash, end of year</b>	<b>\$ 3,753,895</b>	<b>\$ 3,490,114</b>

The accompanying notes form an integral part of these financial statements

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**December 31, 2025**

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1. NATURE OF OPERATIONS

The Ganaraska Region Conservation Authority (the "Authority") is established under the Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources other than gas, oil, coal and minerals for the watersheds within its area of jurisdiction. The Authority's area of jurisdiction includes areas in the Municipality of Clarington, Town of Cobourg, Municipality of Port Hope, Township of Hamilton, Township of Alnwick/Haldimand, Township of Cavan Monaghan and the City of Kawartha Lakes.

As a registered charity the Authority is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Authority are prepared by management in accordance with Canadian generally accepted accounting principles for organizations operating in the local government sector as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Authority are as follows:

Accrual accounting

Revenues and expenditures are recorded on the accrual basis, whereby they are reflected in the accounts in the year in which they have been earned and incurred, respectively, whether or not such transactions have been settled by the receipt or payment of money.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Contributed tangible capital assets are recorded at fair market value at the date of contribution. The cost of the tangible capital assets is amortized on a straight-line basis (except land which is not amortized).

Service life of tangible capital assets is as follows:

Land improvements	15 to 40 years	straight-line method
Building and building improvements	25 to 40 years	straight-line method
Furniture and fixtures	10 to 40 years	straight-line method
Machinery and equipment	5 to 30 years	straight-line method
Vehicles	5 to 25 years	straight-line method
Computers and computer software	3 to 10 years	straight-line method
Infrastructure	20 to 100 years	straight-line method

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenditures as incurred.

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**GANARASKA REGION CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**December 31, 2025**

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

Investments

Short term investments, which consist of term deposits, are held to maturity and are recorded at cost with accrued interest to year end date.

Reserves

Reserves for future expenditures and contingencies are established as required at the discretion of the members of the Authority. Increases or decreases in these reserves are made by appropriations to or from operations.

Cash and cash equivalents

The Authority considers deposits in bank as cash and cash equivalents.

Revenue recognition

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

User charges and fees are recognized as revenue in the period in which the related services are performed.

Revenue from the lease of a specific section of the Ganaraska Forest and office space to an outside company is recognized monthly as set out in the terms of the lease agreement.

Deferred revenue

The Authority receives certain amounts principally from other public sector bodies, the proceeds of which may only be used in the conduct of certain programs or completion of specific work. Further, certain user charges and fees are collected for which the related services have yet to be performed. These amounts are recognized as revenue when the related expenditures are incurred or services performed.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts and useful lives of capital assets. Actual results could differ from these estimates.

Donated capital assets, materials and services

Donated capital assets are recorded at fair value when fair value can be reasonably estimated. Donated materials and services are not recorded.

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**GANARASKA REGION CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**December 31, 2025**

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

Contributed services

Volunteers contribute significant time to the governance and delivery of the Authority programs. Due to the difficulty in determining the fair value of these contributions, contributed services are not recognized in the financial statements.

Financial instruments policy

Financial instruments are recorded at its fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, financing fees and transaction costs that are directly attributable to the instrument. These costs on the acquisition, sale or issue of financial instruments are expensed when incurred if the financial instrument will be subsequently measured at fair market value. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date when there are indications of impairment.

Financial assets measured at amortized cost on a straight-line basis include cash, accounts receivable and term deposits.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and deferred revenue.

There has been no change in risk exposures from the previous period.

3. ACCOUNTS RECEIVABLE

	<b>2025</b>	<b>2024</b>
Government receivables	<b>\$ 401,397</b>	\$ 102,301
Conservation authorities receivables	<b>52,666</b>	25,650
Other receivables	<b>111,131</b>	71,612
	<b>\$ 565,194</b>	\$ 199,563

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**December 31, 2025**

4. TERM DEPOSITS

	<u>2025</u>	<u>2024</u>
Redeemable GIC, Bank of Montreal, 1.10%, maturing February 12, 2026	\$ 48,267	\$ 47,678
Non-Redeemable GIC, Bank of Montreal, 2.75%, maturing May 15, 2026	101,801	-
Non-Redeemable GIC, Bank of Montreal, 2.75%, maturing May 15, 2026	101,801	-
Non-Redeemable GIC, Bank of Montreal, 2.75%, maturing May 15, 2026	101,801	-
Non-Redeemable GIC, Bank of Montreal, 2.75%, maturing May 15, 2026	39,014	-
Non-Redeemable GIC, Bank of Montreal, 2.75%, maturing July 29, 2026	52,958	-
Non-Redeemable GIC, Bank of Montreal, 2.75%, maturing July 29, 2026	18,901	-
Non-Redeemable GIC, Bank of Montreal, 5.52%, matured May 9, 2025	-	103,705
Non-Redeemable GIC, Bank of Montreal, 5.52%, matured May 9, 2025	-	103,705
Non-Redeemable GIC, Bank of Montreal, 5.52%, matured May 9, 2025	-	103,705
Non-Redeemable GIC, Bank of Montreal, 5.52%, matured May 9, 2025	-	21,389
Non-Redeemable GIC, Bank of Montreal, 4.60%, matured July 28, 2025	-	51,053
Non-Redeemable GIC, Bank of Montreal, prime minus 2.80%, matured July 25, 2025	-	18,220
	<u>\$ 464,543</u>	<u>\$ 449,455</u>

The first term deposit noted above represents the balance in the Barbara Young reserve. The Authority has internally restricted these funds for use in the Trappers and Traders program and the above term deposit was purchased to segregate the remaining funds. (See Note 8 for further details of the bequest)

The next four term deposits represents an addition to the Reserve for forest purchase reserve as a result of a bequeath received May 2024. At the request of the donor, these funds have been internally restricted for use to purchase forest lands abutting the Ganaraska Forest. (See Note 8 for further detail)

The next term deposit was purchased as a short-term investment.

The last term deposit noted above represents the money received from the Save the Ganaraska Again (SAGA) reserve. At the request of the donor, the Authority has internally restricted these funds for use to subsidize students in need to attend the outdoor education program and therefore the above GIC was purchased to segregate the remaining funds. (See Note 8 for further details of the donation)

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**December 31, 2025**

5. **BANK INDEBTEDNESS**

The operating line of credit is secured by a general security agreement. The authorized line of credit is \$250,000 with interest charged at prime plus 0.50%, of which \$250,000 remained unused as at December 31, 2025.

6. **ACCOUNTS PAYABLE**

Included in accounts payable are government remittance payables of \$216.

7. **TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated amortization	<b>2025 Net book value</b>	2024 Net book value
Land	\$ 935,531	\$ -	\$ 935,531	\$ 935,531
Land improvements	166,707	91,423	75,284	65,934
Building and building improvements	4,741,735	2,297,511	2,444,224	2,542,797
Vehicles	300,714	157,447	143,267	112,109
Computers and computer software	380,626	289,216	91,410	96,109
Machinery and equipment	263,601	198,487	65,114	72,842
Furniture and fixtures	568,759	467,391	101,368	117,081
Infrastructure	3,973,490	1,819,440	2,154,050	2,184,259
	<b>\$ 11,331,163</b>	<b>\$ 5,320,915</b>	<b>\$ 6,010,248</b>	<b>\$ 6,126,662</b>

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**December 31, 2025**

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8. RESERVES

- (a) **CAPITAL ASSET REPLACEMENT RESERVE** In 2016, the Authority implemented a capital asset management plan. The plan identified what assets the Authority has, the condition they are in and what the anticipated needs are to maintain the infrastructure. It also estimates the future needs both from the perspective of preserving existing infrastructure and also anticipates future new asset acquisitions and capacity enhancements. A determination was made of which assets need to be managed and replaced on a 20 year cycle, except for dam infrastructure which has a longer 40 year cycle. In the current year \$189,392 was allocated from unallocated accumulated surplus to this reserve.
- (b) **RESERVE FOR FOREST CENTRE** Years ago, the Authority set up a reserve in the event that the revenues for the Forest Centre exceeded the budgeted revenues and the expenditures were in line. This was to be used as needed at the Forest Centre, in particular, if there was a time when schools, due to strikes or other situations, did not participate in the programs and a shortfall in revenues was created.
- (c) **BARBARA YOUNG RESERVE** In 2015, the Authority received a bequest from the estate of Barbara Young. The total amount received was \$57,981. Although the amount was not restricted, the Authority has elected to spend the funds on a new Trappers and Traders program. In 2015, \$15,000 was spent on the Trappers and Traders program leaving a balance of \$42,981 at December 31, 2015. The Authority purchased a term deposit (Note 4) and created a reserve account (Note 9) in the accumulated surplus to segregate the remaining funds.
- (d) **SAVE THE GANARASKA AGAIN (SAGA) RESERVE** In 2018, the Authority received a donation from the Save the Ganaraska Again organization. The total amount received was \$15,264. The funds are to be used to subsidize students in need to attend the outdoor education program. The Authority purchased a term deposit (Note 4) and created a reserve account (Note 9) in the accumulated surplus to segregate the funds.
- (e) **FOREST PURCHASE RESERVE** The reserve was established in 2001 with funds from the Township of Cavan-Millbrook-North Monaghan (now Township of Cavan Monaghan) to purchase lands abutting the Ganaraska Forest. Use of these funds to be approved by the Board of Directors. In May 2024, the Authority received a bequeath of \$320,625. The estate specifically stated the bequeath was for the purchase of land abutting the Ganaraska Forest.
- (f) **GANARASKA FOREST RESERVE** The reserve was setup in 2024 to be utilized if there was a shortfall in the revenues due to reduced timber sales in any given year when the revenues are not able to cover expenditures. Monies are deposited into the reserve from the Ganaraska Forest revenues if the revenues exceed the expenditures in any given year at the end of the year prior to the completion of the financial statements. In 2024, \$200,000 was allocated from unallocated surplus to this reserve.

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**December 31, 2025**

9. ACCUMULATED SURPLUS

	2025	2024
<u>Tangible capital assets surplus</u>		
Balance, beginning of year	\$ 6,126,662	\$ 6,212,863
Purchase of tangible capital assets from capital asset replacement reserve	67,910	42,791
Purchase of tangible capital assets from unallocated accumulated surplus	68,074	145,194
Amortization of tangible capital assets	(252,398)	(238,985)
Gain (loss) on disposal of tangible capital assets	6,650	(20,701)
Proceeds on disposal of tangible capital asset	(6,650)	(14,500)
	<b>6,010,248</b>	<b>6,126,662</b>
<u>Unallocated accumulated surplus</u>		
Balance, beginning of year	1,232,065	1,121,438
Surplus for the year	97,645	699,628
Amortization of tangible capital assets	252,398	238,985
(Gain) loss on disposal of tangible capital assets	(6,650)	20,701
Proceeds from disposal of tangible capital asset	6,650	14,500
Purchase of tangible capital assets	(68,074)	(145,194)
Allocation to capital asset replacement reserve	(189,392)	(183,876)
Allocation to reserve for forest purchase	-	(320,625)
Allocation to reserve for ganaraska forest	-	(200,000)
Interest allocated to Barbara Young reserve	(589)	(493)
Interest allocated to Save the Ganaraska Again (SAGA) reserve	(681)	(1,119)
Interest allocated to Reserve for Forest Purchase	(11,911)	(11,880)
	<b>1,311,461</b>	<b>1,232,065</b>
<u>Capital asset replacement reserve</u>		
Balance, beginning of year	1,030,164	889,079
Allocation from unallocated accumulated surplus	189,392	183,876
Purchase of tangible capital assets	(67,910)	(42,791)
	<b>1,151,646</b>	<b>1,030,164</b>
<u>Reserve for forest centre</u>		
Balance, beginning of year	120,000	120,000
Allocation from unallocated accumulated surplus	-	-
	<b>120,000</b>	<b>120,000</b>
<u>Barbara Young reserve</u>		
Balance, beginning of year	47,678	47,185
Interest earned	589	493
	<b>48,267</b>	<b>47,678</b>

*(continues)*

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**December 31, 2025**

	2025	2024
<u>Reserve for forest purchase</u>		
Balance, beginning of year	342,505	10,000
Allocation from unallocated accumulated surplus	-	320,625
Interest earned	11,911	11,880
	354,416	342,505
 <u>Save the Ganaraska Again (SAGA) reserve</u>		
Balance, beginning of year	18,220	17,101
Interest earned	681	1,119
	18,901	18,220
 <u>Reserve for Ganaraska Forest</u>		
Balance, beginning of year	200,000	-
Allocation from unallocated accumulated surplus	-	200,000
	200,000	200,000
 TOTAL ACCUMULATED SURPLUS	 \$ 9,214,939	 \$ 9,117,294

10. PENSION AGREEMENTS

The Authority has a pension agreement with the Ontario Municipal Employee Retirement System ("OMERS") which is a multi-employer plan. The plan is a defined benefit pension plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The Authority remits monthly to OMERS the employee withholdings and matching contributions.

**GANARASKA REGION CONSERVATION AUTHORITY**  
**Notes to Financial Statements**  
**December 31, 2025**

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11. LEASE COMMITMENTS

The Authority has lease commitment expenditures on various equipment. The future minimum lease payments as at December 31, 2025 are as follows:

2026		\$	3,023
2027			2,267
			<u>5,290</u>
		\$	<u>5,290</u>

The Authority has entered into a lease agreement with an outside company for a specific section of the Ganaraska Forest as well as some office space. The lease had an initial term of ten years, ending in June 2021, and an option to renew for a further five years. The option to renew was exercised and renewed for the next five years with an option to renew for another five years. The future minimum lease revenue to be received by the Authority as at December 31, 2025 is as follows:

2026		\$	22,280
2027			22,725
2028			23,180
2029			23,644
2030			24,116
			<u>115,945</u>
		\$	<u>115,945</u>

12. FINANCIAL INSTRUMENTS

The fair value of cash, term deposits, accounts receivable, accounts payable and deferred revenue are approximately equal to their carrying value due to their short-term maturity date.

13. BUDGET FIGURES

The 2025 budget figures included in these financial statements are those adopted by the Authority on April 17, 2025. The budget figures are unaudited.

14. COMPARATIVE FIGURES

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