Annual Report

2025-26

Institutional Control Monitoring and Maintenance Fund and the Unforeseen Events Fund

Ministry of Energy and Resources

Saskatchewan

Letters of Transmittal



The Honourable Chris Beaudry
Minister of Energy and Resources

Office of the Lieutenant Governor of Saskatchewan

I respectfully submit the Institutional Control Monitoring and Maintenance Fund and the Unforeseen Events Fund Annual Report for the Ministry of Energy and Resources for the fiscal year ending March 31, 2026.

Chris Beaudry
Minister of Energy and Resources



William Greuel
Deputy Minister of Energy and Resources

The Honourable Chris Beaudry
Minister of Energy and Resources

Dear Minister:

I have the honour of submitting the Institutional Control Monitoring and Maintenance Fund and the Unforeseen Events Fund Annual Report of the Ministry of Energy and Resources for the fiscal year ending March 31, 2026.

William Greuel
Deputy Minister of Energy and Resources

Manager's Responsibility for Financial Statements

I have the honour of submitting the Annual Report for the Institutional Control Monitoring and Maintenance Fund and the Institutional Control Unforeseen Events Fund for the fiscal year ending March 31, 2026. As the Deputy Minister of Energy and Resources, I am responsible for the administration and management of these funds. The financial statements contained in this report were prepared in accordance with Canadian public sector accounting standards. The financial information presented elsewhere in the Annual Report is consistent with these financial statements.

To ensure the integrity and objectivity of the financial data, management maintains a comprehensive system of internal controls including written policies, procedures and an organizational structure that segregates duties. These measures provide reasonable assurance that transactions are recorded and executed in compliance with legislation and required authority, that assets are properly safeguarded and that reliable financial records are maintained.

The financial statements have been audited by the office of the Provincial Auditor. Its report to the Members of the Legislative Assembly, stating the scope of its examination and opinion on the financial statements, appears after the introduction.



William Greuel
Deputy Minister of Energy and Resources

Introduction

The Government of Saskatchewan established the Institutional Control Monitoring and Maintenance Fund and the Institutional Control Unforeseen Events Fund on April 3, 2009, under Sections 11 and 12 of *The Reclaimed Industrial Sites Act* (Act). These funds support the Institutional Control Program (ICP), which operates under *The Reclaimed Industrial Sites Regulations*.

The ICP manages the long-term monitoring and maintenance of industrial sites after mining or milling activities have ended and remediation is complete. Once a site meets all requirements, Saskatchewan assumes responsibility for it. The program includes two primary components: the Institutional Control Registry and the Institutional Control Funds.

The registry records key information about each closed site, while the funds support ongoing monitoring and maintenance. The Ministry of Energy and Resources administers both components.

Program Purpose

In 2005, Saskatchewan began developing a framework to manage reclaimed mine and mill sites on Crown Land. This work led to the creation of the ICP in 2007.

The ICP:

- Supports the safe and environmentally responsible closure of mining and mill sites;
- Ensures ongoing monitoring and maintenance of reclaimed sites;
- Provides funding to cover long-term monitoring and maintenance costs; and,
- Preserves records and information through a formal registry.

The Institutional Control Registry records information such as a site's location, previous owner and operator, historical activities, maintenance activities, monitoring results and future and use.

The ICP includes two funding accounts:

- The Monitoring and Maintenance Fund covers routine long-term monitoring and maintenance.
- The Unforeseen Events Fund covers unexpected future events not included in routine costs.

Before a site enters the program, the ministry determines the required financial contribution based on a site-specific risk assessment. The Government of Saskatchewan manages these funds independently from provincial revenue.

Progress on Program Activities

During the 2025-26 fiscal year, the ministry accepted 28 former Beaverlodge uranium mine sites into the ICP. Contributors provided $1,201,133 to the Monitoring and Maintenance Fund and $290,866 to the Unforeseen Events Fund.

The ministry also reviewed a monitoring and maintenance inspection for the Contact Lake site. The ICP website now provides public access to the inspection report.

Following a legislative review in 2025-26, regulatory amendments came into force on June 27, 2025. These amendments:

- Require funding for future community engagement as part of site acceptance.
- Incorporate local knowledge as an evaluation criterion when selecting contractors for site inspections.

During 2025-26, the ministry worked with other regulators to continue reviewing and assessing:

- Remaining Beaverlodge associated sites;
- Satellite sites associated with Project Clean-up of Abandoned Northern Sites; and,
- The Lorado Mill site.

The Fund Advisory Committee, which includes senior government officials and industry stakeholders, continued to guide investment decisions. Based on this advice, the ministry reinvested maturing funds into short-term and long-term instruments. Third-party financial institutions continue to manage these investments under the committee's direction.

The ICP currently includes 78 sites. The Government of Saskatchewan website provides detailed information about the program and each registered site.

Institutional Control Monitoring and Maintenance Fund Financial Statements

INSTITUTIONAL CONTROL

MONITORING AND MAINTENANCE FUND

FINANCIAL STATEMENTS

For The Year Ended March 31, 2026

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

Opinion

We have audited the financial statements of the Institutional Control Monitoring and Maintenance Fund, which comprise the statement of financial position as at March 31, 2026, and the statement of operations and accumulated operating surplus, statement of remeasurement gains and losses, and statement of 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 Institutional Control Monitoring and Maintenance Fund as at March 31, 2026, and the results of its operations, its remeasurement gains and losses, changes in its net financial assets, 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 Institutional Control Monitoring and Maintenance Fund 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.

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 Institutional Control Monitoring and Maintenance Fund'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 Institutional Control Monitoring and Maintenance Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institutional Control Monitoring and Maintenance Fund'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.

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- 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 Institutional Control Monitoring and Maintenance Fund'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 Institutional Control Monitoring and Maintenance Fund'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 Institutional Control Monitoring and Maintenance Fund 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
July 24, 2026

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

INSTITUTIONAL CONTROL
MONITORING AND MAINTENANCE FUND
STATEMENT OF FINANCIAL POSITION
As at March 31

	2026	2025
FINANCIAL ASSETS		
Cash	$ 234	$ 492
Investments (Note 5)	3,655,859	2,286,828
Interest Receivable	8,919	---
Total Financial Assets	3,665,012	2,287,320
LIABILITIES		
Total Liabilities	---	---
NET FINANCIAL ASSETS AND ACCUMULATED SURPLUS (Note 3)	$ 3,665,012	$ 2,287,320
Accumulated Surplus is comprised of:		
Accumulated Operating Surplus, end of year	$ 3,469,417	$ 2,191,286
Accumulated re-measurement gains, end of year	195,595	96,034
Accumulated Surplus	$ 3,665,012	$ 2,287,320

(See accompanying notes to the financial statements)

INSTITUTIONAL CONTROL
MONITORING AND MAINTENANCE FUND
STATEMENT OF OPERATIONS AND ACCUMULATED OPERATING SURPLUS
Year Ended March 31

	Budget	Actual	
	2026 (Note 9)	2026	2025
REVENUES:			
Return on Investment (Note 5)	$ ---	$ 112,936	$ 110,744
Fees (Note 6)	---	1,201,133	---
Other (Note 7)	---	---	20,778
Total Revenues	---	1,314,069	131,522
EXPENSES:			
Monitoring and Maintenance (Note 2)	---	---	43,604
Administration Costs	---	48	47
Portfolio Fees	---	35,890	30,653
Total Expenses	---	35,938	74,304
ANNUAL SURPLUS	$ ---	$ 1,278,131	$ 57,218
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR		2,191,286	2,134,068
ACCUMULATED OPERATING SURPLUS, END OF YEAR - to Statement 1		$ 3,469,417	$ 2,191,286

(See accompanying notes to the financial statements)

INSTITUTIONAL CONTROL
MONITORING AND MAINTENANCE FUND
STATEMENT OF REMEASUREMENT GAINS AND LOSSES
Year Ended March 31

	2026	2025
ACCUMULATED RE-MEASUREMENT GAINS, BEGINNING OF YEAR	$ 96,034	$ 23,868
Unrealized gains attributable to:		
Investments	176,607	152,258
Amount re-classified to the Statement of Operations and Accumulated Operating Surplus	(77,046)	(80,092)
Net re-measurement gains for the year	$ 99,561	$ 72,166
ACCUMULATED RE-MEASUREMENT GAINS, END OF YEAR	$ 195,595	$ 96,034

(See accompanying notes to the financial statements)

INSTITUTIONAL CONTROL
MONITORING AND MAINTENANCE FUND
STATEMENT OF CASH FLOWS
Year Ended March 31

	2026	2025
OPERATING TRANSACTIONS		
Cash Received From:		
Interest	$ ---	$ 3,929
Fees	1,201,133	20,778
Total Cash Received	1,201,133	24,707
Cash Paid For:		
Operational Expenses	$ ---	$ 43,604
Admin Expenses	48	54
Total Cash Paid	$ 48	$ 43,658
INVESTMENT TRANSACTIONS		
Cash Received From:		
Withdrawal from Investment	---	19,443
Return on Investment	---	---
Total Cash Received	---	19,443
Cash Paid For:		
Investments	1,201,343	---
Total Cash Paid	1,201,343	---
INCREASE (DECREASE) IN CASH	(258)	492
CASH, BEGINNING OF YEAR	492	---
CASH, END OF YEAR	234	492

(See accompanying notes to the financial statements)

INSTITUTIONAL CONTROL MONITORING AND MAINTENANCE FUNDS
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2026

1. Authority

The Institutional Control Monitoring and Maintenance Fund (Fund) was established on April 3, 2009, pursuant to Sections 11 of *The Reclaimed Industrial Sites Act* (Act). In 2007, the Government of Saskatchewan legislated the Act and *The Reclaimed Industrial Sites Regulations* (Regulations) to establish and enforce the Institutional Control Program (ICP).

The purposes of the ICP are to:

- set out the conditions by which the Government of Saskatchewan will accept responsibility for land that, in consequence of development and use, requires long-term monitoring and, in certain circumstances, maintenance;
- ensure that the required monitoring and maintenance are carried out on that land;
- provide a funding mechanism to cover costs associated with the monitoring and maintenance on that land; and,
- ensure that certain records and information are preserved with respect to that land.

The purpose of the Fund is to cover maintenance costs anticipated at the time the closed site is accepted into the Institutional Control Program and for any other general costs that should have reasonably been anticipated at the time the closed site was accepted into the Institutional Control Program and costs incurred for the purpose of determining the required monitoring and maintenance of the closed site.

2. Significant Accounting Policies

Pursuant to standards established by the Public Sector Accounting Board, the Fund is classified as a Government Component. These financial statements are prepared in accordance with Canadian public sector accounting standards. A Statement of Changes in Net Financial Assets is not presented as the Fund does not hold any non-financial assets.

The fund recognizes expenses for on-going monitoring and maintenance of reclaimed sites when performed.

Use of Estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Differences are reflected in current revenues and expenses or unrealized gains and losses when identified.

Revenue

Fees are recognized as revenue when a site owner has completed decommissioning and reclamation work, and the site has been accepted into the Institutional Control (IC) Registry.

Investment income is recognized when earned and includes reinvested dividends, interest income, and realized gain or losses on the sale of investments. Dividend income is recognized when declared. Interest is recognized as revenue when earned. Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the Statement of Remeasurement Gains and Losses. Upon settlement, the cumulative gain or loss is reclassified from the Statement of Remeasurement Gains and Losses and recognized in the Statement of Operations and Accumulated Operating Surplus.

Financial guarantees provided by site holders as security for monitoring and maintenance costs are recorded as financial assets and revenue of the Fund when redeemed (Note 6).

Financial guarantees that are no longer deemed necessary to cover a maximum failure event are returned to the site owner.

Financial Instruments

The fund's investment portfolio is managed by a third-party investment advisor, CIBC Wood Gundy. The portfolio consists of a mix of financial instruments, including cash and cash equivalents, fixed income, equities, mutual funds, and segregated funds. These instruments are classified as financial assets measured at fair value and are reported accordingly in the Statement of Financial Position.

Future Standards

The following new standards will be effective for fiscal years beginning on or after April 1, 2026 (2026–27 fiscal year):

- The Public Sector Accounting Board (PSAB) has issued a new Conceptual Framework; and,
- PS 1202 – *Financial Statement Presentation*.

The Fund is assessing the impact of these changes and will implement the necessary adjustments when they come into effect.

3. Net Financial Assets

The net financial assets of the Fund are available under Sections 11 of the Act to provide for the costs described in subsection (6).

4. Financial Risk Management

The nature of the Fund's operations results in a statement of financial position that consists primarily of financial instruments. The risks that arise are credit risk and market risk (consisting of interest rate risk, foreign risk and equity price risk).

A significant financial risk is related to the Fund's investments. These financial risks are managed by having an Investment Policy that provides guidelines for the management for the asset mix of the portfolio regarding quality and quantity of fixed income and equity investments. The asset mix helps to reduce the impact of market value fluctuations by requiring investments in different assets and domestic and foreign markets.

A) Credit risk

Credit risk within investment is primarily related to fixed income investments. The 3rd party investment manager is expected to maintain relatively high-quality portfolios. It is managed though investment policy that limits these fixed term investments to those of high credit quality (BBB is the minimum rating of bonds and the minimum quality rating of any short - term notes is R-1 Low). The maximum credit risk the investments is exposed to on March 31, 2026, is limited to $786,192 which represents investments in bonds, and cash and cash equivalents.

B) Market Risk

Market risk represents the potential for loss from change in the value of financial instruments. Value can be affected by changes in interest rates, foreign exchanges rates and equity prices. Market risk primarily impacts the value of investments.

Interest rate risk

Investments in fixed income securities are sensitive to changes in interest rates. Duration is a metric used to estimate how much the market value of these instruments will fluctuate in response to interest rate movements. Based on this measure:

For the Canadian Laddered Bond (CAM) portfolio valued at $710,820 and a duration of 4.10 years, a 1% increase in interest rates is expected to result in an approximate $29,144 decrease to the portfolio resulting in new market value of $681,676.

For the CAM Short-term Income Fund valued at $713,787 and a duration of 2.9 years, a 1% increase in interest rates is estimated to lead to approximately $20,700 decrease to the portfolio resulting in new market value of $693,087.

Foreign exchange rate

Investments are exposed to changes in the U.S dollar exchanges through their U.S. Equities. Also, they are exposed to international currencies through their International Markets Equity. As of March 31, 2026, the investment exposure to U.S. Equities was 13.47%, and exposure to International Equities was 18.26%.

Equity prices

Investments are exposed to changes in equity prices in Canadian, U.S., and international markets though their equity investments. Equities comprise 59.01% of the carrying value of the investments. The Investment Policy limits the investment in equity to no more than 70% of the total market value of the funds in any one index-defined corporate group.

5. Investments

Investments are held with a third-party investment manager, in accordance with the investment mandate established by the Fund Advisory Committee.

The investments are classified using a hierarchy that reflects the significance of the inputs used in determining their measurements. Portfolio fees are charged to the fund on a quarterly basis.

Under classification structure, financial instruments recorded at unadjusted quoted prices in active markets for identical assets and liabilities are classified as Level 1. Instruments valued using inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly are classified as Level 2. Instruments valued using inputs that are not based on observations market data are classified as Level 3.

The following table classifies the investments' financial instrument within this fair value hierarchy:

2026	Level 1	Level 2	Level 3	Total
Cash and Cash equivalents	$ 93,573			$ 93,573
Fixed Income		$ 692,619		$ 692,619
Equity	$ 2,157,249			$ 2,157,249
Mutual funds		$ 712,418		$ 712,418
Total	**$ 2,250,822**	**$ 1,405,037**	**$ -**	**$ 3,655,859**

2025	Level 1	Level 2	Level 3	Total
Cash and Cash equivalents	$ 606,205			$ 606,205
Fixed Income		$ 436,611		$ 436,611
Equity	$ 792,736			$ 792,736
Mutual funds		$ 451,276		$ 451,276
Total	**$ 1,398,941**	**$ 887,887**	**$ -**	**$ 2,286,828**

6. Fees

The Regulations require an owner applying for entry of a closed site into the ICP to pay the Fund an amount representing the present value of the future costs associated with the monitoring and maintenance of the site.

In addition, as a condition of the site being accepted into the ICP, the Regulations require a site owner to provide the Fund with:

a) an agreed-upon amount of security in the form of financial guarantees that reflects the costs of dealing with a maximum failure event that could occur at the closed site; and / or
b) confirmations, satisfactory to the Minister, that addresses the site owner's legal responsibility and other conditions such as financial guarantees and creditworthiness to pay for a maximum failure event.

At March 31, 2026, the fund held $327,000 (2025 - $327,000) in financial guarantees as security for maximum failure events at mine sites.

7. Other

The amount reported under other revenues (2025) includes a contribution from Foran Mining Corporation to cover the cost of a revegetation survey. This amount relates to their obligation for the closed portion of the Hanson Lake site—approximately 190 hectares, or 71.70% of the total 265 hectares—that was transferred to McIlvenna Bay Operating Ltd. under the Institutional Control Program.

8. Related Party Transactions

Included in these financial statements are transactions with the government ministries and agencies related to the fund by virtue of common control by the Government of Saskatchewan. A related party exists when one party has the ability to exercise control or shared control over the other. Two or more parties are related when they are subject to common control or shared control. Related parties also include key management personnel, their close family members and entities controlled by, or under shared control of, any of these individuals.

Routine operating transactions with related parties are recorded at rates charged by those organizations and are settled on normal trade terms.

The Ministry of Energy and Resources provides administrative services to the Fund at no cost.

9. Budget

There is no planned budget for this Fund as it is not anticipated that, aside from fees, there will be any activity.

10. Site Information

In 2025-26, the ministry, together with other regulators, continued to review and assess:

- satellite sites associated with Project Clean-up of Abandoned Northern Sites (CLEANS); and,
- the Lorado Mill site.

On May 16, 2025, the Canadian Nuclear Safety Commission released Cameco Corporations Beaverlodge sites from its uranium mine licence. The ministry accepted the sites into the ICP in the third quarter of the 2025-26 fiscal year.

Institutional Control Unforeseen Events Fund Financial Statements

INSTITUTIONAL CONTROL

UNFORESEEN EVENTS FUND

FINANCIAL STATEMENTS

For The Year Ended March 31, 2026

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

Opinion

We have audited the financial statements of the Institutional Control Unforeseen Events Fund, which comprise the statement of financial position as at March 31, 2026, and the statement of operations and accumulated operating surplus, statement of remeasurement gains and losses, and statement of 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 Institutional Control Unforeseen Events Fund as at March 31, 2026, and the results of its operations, its remeasurement gains and losses, 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 Institutional Control Unforeseen Events Fund 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.

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 Institutional Control Unforeseen Events Fund'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 Institutional Control Unforeseen Events Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institutional Control Unforeseen Events Fund'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.

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- 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 Institutional Control Unforeseen Events Fund'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 Institutional Control Unforeseen Events Fund'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 Institutional Control Unforeseen Events Fund 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
July 24 2026

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

INSTITUTIONAL CONTROL
UNFORESEEN EVENTS FUND
STATEMENT OF FINANCIAL POSITION
As at March 31

	2026	2025
FINANCIAL ASSETS		
Cash	$ 235	$ 1,149
Investments (Note 5)	726,815	406,961
Interest Receivable	1,743	---
Total Financial Assets	$ 728,793	$ 408,110
LIABILITIES		
Total Liabilities	---	---
NET FINANCIAL ASSETS AND ACCUMULATED SURPLUS (Note 3)	$ 728,793	$ 408,110
Accumulated Surplus is comprised of:		
Accumulated Operating Surplus, end of year	$ 697,539	$ 392,381
Accumulated re-measurement Gains, end of year	31,254	15,729
Accumulated Surplus	$ 728,793	$ 408,110

(See accompanying notes to the financial statements)

INSTITUTIONAL CONTROL
UNFORESEEN EVENTS FUND
STATEMENT OF OPERATIONS AND ACCUMULATED OPERATING SURPLUS
Year Ended March 31

	Budget	Actual	
	2026 (Note 8)	2026	2025
REVENUES:			
Return on Investment (Note 5)	$ ---	$ 20,935	$ 16,258
Fees (Note 6)	---	290,866	---
Total Revenues	---	311,801	16,258
EXPENSES:			
Administration Costs	---	48	58
Portfolio fees	---	6,595	5,325
Total Expenses	---	6,643	5,383
ANNUAL SURPLUS	$ ---	$ 305,158	$ 10,875
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR		392,381	381,506
ACCUMULATED OPERATING SURPLUS, END OF YEAR – to Statement 1		$ 697,539	$ 392,381

(See accompanying notes to the financial statements)

INSTITUTIONAL CONTROL
UNFORESEEN EVENTS FUND
STATEMENT OF REMEASUREMENT GAINS AND LOSSES
Year Ended March 31

	2026	2025
ACCUMULATED RE-MEASUREMENT GAINS(LOSSES), BEGINNING OF YEAR	$ 15,729	$ 26
Unrealized gains(losses) attributable to:		
Investments	29,865	26,637
Amount re-classified to the Statement of Operations and Accumulated Operating Surplus	$ (14,340)	$ (10,934)
Net re-measurement gains for the year	$ 15,525	$ 15,703
ACCUMULATED RE-MEASUREMENT GAINS, END OF YEAR	$ 31,254	$ 15,729

(See accompanying notes to the financial statements)

INSTITUTIONAL CONTROL
UNFORESEEN EVENTS FUND
STATEMENT OF CASH FLOWS
Year Ended March 31

	2026	2025
OPERATING TRANSACTIONS		
Cash Received From:		
Interest	$ ---	$ 1,215
Fees	290,866	---
Total Cash Received	290,866	1,215
Cash Paid For:		
Administrative Expenses	48	66
Total Cash Paid	48	66
INVESTMENT TRANSACTIONS		
Cash Paid For:		
Investment	291,732	---
Total Cash Paid	291,732	---
INCREASE (DECREASE) IN CASH	(914)	1,149
CASH, BEGINNING OF YEAR	1,149	---
CASH, END OF YEAR	$ 235	$ 1,149

(See accompanying notes to the financial statements)

INSTITUTIONAL CONTROL UNFORESEEN EVENTS FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2026

1. Authority

The Institutional Control Unforeseen Events Fund (Fund) was established on April 3, 2009, pursuant to Sections 12 of *The Reclaimed Industrial Sites Act* (Act). In 2007, the Government of Saskatchewan legislated the Act and *The Reclaimed Industrial Sites Regulations* (Regulations) to establish and enforce the Institutional Control Program (ICP).

The purposes of the ICP are to:

- set out the conditions by which the Government of Saskatchewan will accept responsibility for land that, in consequence of development and use, requires long-term monitoring and, in certain circumstances, maintenance;
- ensure that the required monitoring and maintenance are carried out on that land;
- provide a funding mechanism to cover costs associated with the monitoring and maintenance on that land; and,
- ensure that certain records and information are preserved with respect to that land.

The purpose of the Fund is to cover maintenance obligations that are not covered by the Institutional Control Monitoring and Maintenance Fund for a closed site that has been accepted into the Institutional Control Program and costs incurred for the purpose of determining the maintenance obligations.

2. Significant Accounting Policies

Pursuant to standards established by the Public Sector Accounting Board, the Fund is classified as a Government Component. These financial statements are prepared in accordance with Canadian public sector accounting standards. A Statement of Changes in Net Financial Assets is not presented as the Fund does not hold any non-financial assets.

The fund recognizes expenses for on-going monitoring and maintenance of reclaimed sites when performed.

Use of Estimates

The preparation of the financial statements in accordance with public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Differences are reflected in current revenues and expenses or unrealized gains and losses when identified.

Revenue

Fees are recognized as revenue when a site owner has completed decommissioning and reclamation work and the site has been accepted into the Institutional Control (IC) Registry.

Investment income is recognized when earned and includes reinvested dividends, interest income, and realized gain or losses on the sale of investments. Dividend income is recognized when declared. Interest is recognized as revenue when earned. Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the Statement of Remeasurement Gains and Losses. Upon settlement, the cumulative gain or loss is reclassified from the Statement of Remeasurement Gains and Losses and recognized in the Statement of Operations and Accumulated Operating Surplus.

Financial guarantees provided by site holders as security for monitoring and maintenance costs are recorded as financial assets and revenue of the Fund when redeemed (Note 6).

Financial guarantees that are no longer deemed necessary to cover a maximum failure event are returned to the site owner.

Financial Instruments

The fund's investment portfolio is managed by a third-party investment advisor, CIBC Wood Gundy. The portfolio consists of a mix of financial instruments, including cash and cash equivalents, fixed income, equities, mutual funds, and segregated funds. These instruments are classified as financial assets measured at fair value and are reported accordingly in the Statement of Financial Position.

Future Standards

The following new standards will be effective for fiscal years beginning on or after April 1, 2026 (2026–27 fiscal year):

- The Public Sector Accounting Board (PSAB) has issued a new Conceptual Framework; and,
- PS 1202 – *Financial Statement Presentation*.

The Fund is assessing the impact of these changes and will implement the necessary adjustments when they come into effect.

3. Net Financial Assets

The net financial assets of the Fund are available under Section 12 of the Act to provide for the costs described in subsection 5.

4. Financial Risk Management

The nature of the Fund's operations results in a statement of financial position that consists primarily of financial instruments. The risks that arise are credit risk and market risk (consisting of interest rate risk, foreign risk and equity price risk).

A significant financial risk is related to the Fund's investments. These financial risks are managed by having an Investment Policy that provides guidelines for the management for the asset mix of the portfolio regarding quality and quantity of fixed income and equity investments. The asset mix helps to reduce the impact of market value fluctuations by requiring investments in different assets and domestic and foreign markets.

A) Credit risk

Credit risk within investment is primarily related to fixed income investments. The 3rd party investment manager is expected to maintain relatively high-quality portfolios. It is managed though investment policy that limits these fixed term investments to those of high credit quality (BBB is the minimum rating of bonds and the minimum quality rating of any short - term notes is R-1 Low). The maximum credit risk the investments is exposed to on March 31, 2026, is limited to $151,378 which represents investments in bonds, and cash and cash equivalents.

B) Market Risk

Market risk represents the potential for loss from change in the value of financial instruments. Value can be affected by changes in interest rates, foreign exchanges rates and equity prices. Market risk primarily impacts the value of investments.

Interest rate risk

Investments in fixed income securities are sensitive to changes in interest rates. Duration is a metric used to estimate how much the market value of these instruments will fluctuate in response to interest rate movements. Based on this measure:

For the Canadian Laddered Bond (CAM) portfolio valued at $137,007 and a duration of 4.10 years, a 1% increase in interest rates would decrease the portfolio by approximately $5,617 resulting in a new value of $131,390.

For the CAM Short-term Income Fund valued at $137,497 and a duration of 2.9 years, a 1% increase in interest rates is estimated to decrease the portfolio by approximately $3,987 resulting in a new value of $133,510.

Foreign exchange rate

Investments are exposed to changes in the U.S dollar exchanges through their U.S. Equities. Also, they are exposed to international currencies through International Markets Equity. As of March 31, 2026, the investment exposure to U.S. Equities was 14.48%, and exposure to International Equities was 19.53%.

Equity prices

Investments are exposed to changes in equity prices in Canadian, U.S., and international markets though their equity investments. Equities comprise 60.29% of the carrying value of the investments, The Investments Policy limits the investment in the equity to no more than 70% of the total market value of the funds in any one index-defined corporate group.

5. Investments

Investments are held with a third-party investment manager, in accordance with the investment mandate established by the Fund Advisory Committee.

The investments are classified using a hierarchy that reflects the significance of the inputs used in determining their measurements. Portfolio fees are charged to the Fund on a monthly basis.

Under classification structure, financial instruments recorded at unadjusted quoted prices in active markets for identical assets and liabilities are classified as Level 1. Instruments valued using inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly are classified as Level 2. Instruments valued using inputs that are not based on observations market data are classified as Level 3.

The following table classifies the investments' financial instrument within this fair value hierarchy:

2026	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and Cash equivalents	$ 17,825			$ 17,825
Fixed Income		133,553		133,553
Equity	438,204			438,204
Mutual funds		137,233		137,233
Total	**$ 456,029**	**$ 270,786**	**$ -**	**$ 726,815**

2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and Cash equivalents	$ 101,938			$ 101,938
Fixed Income		77,161		77,161
Equity	147,349			147,349
Mutual funds		80,513		80,513
Total	**$ 249,287**	**$ 157,674**	**$ -**	**$ 406,961**

6. Fees

Section 4(2) of the Regulations requires an owner applying for entry of a closed site into the ICP to pay the Fund an amount representing 10 per cent (20 per cent for a closed site with tailings or engineered structures) of the present value of the future costs associated with the monitoring and maintenance of the site.

7. Related Party Transactions

Included in these financial statements are transactions with the government ministries and agencies related to the Fund by virtue of common control by the Government of Saskatchewan. A related party exists when one party has the ability to exercise control or shared control over the other. Two or more parties are related when they are subject to common control or shared control. Related parties also include key management personnel, their close family members and entities controlled by, or under shared control of, any of these individuals.

Routine operating transactions with related parties are recorded at rates charged by those organizations and are settled on normal trade terms.

The Ministry of Energy and Resources provides administrative services to the Fund at no cost.

8. Budget

There is currently no planned budget for this Fund as it is not anticipated that, aside from fees, there will be any activity.