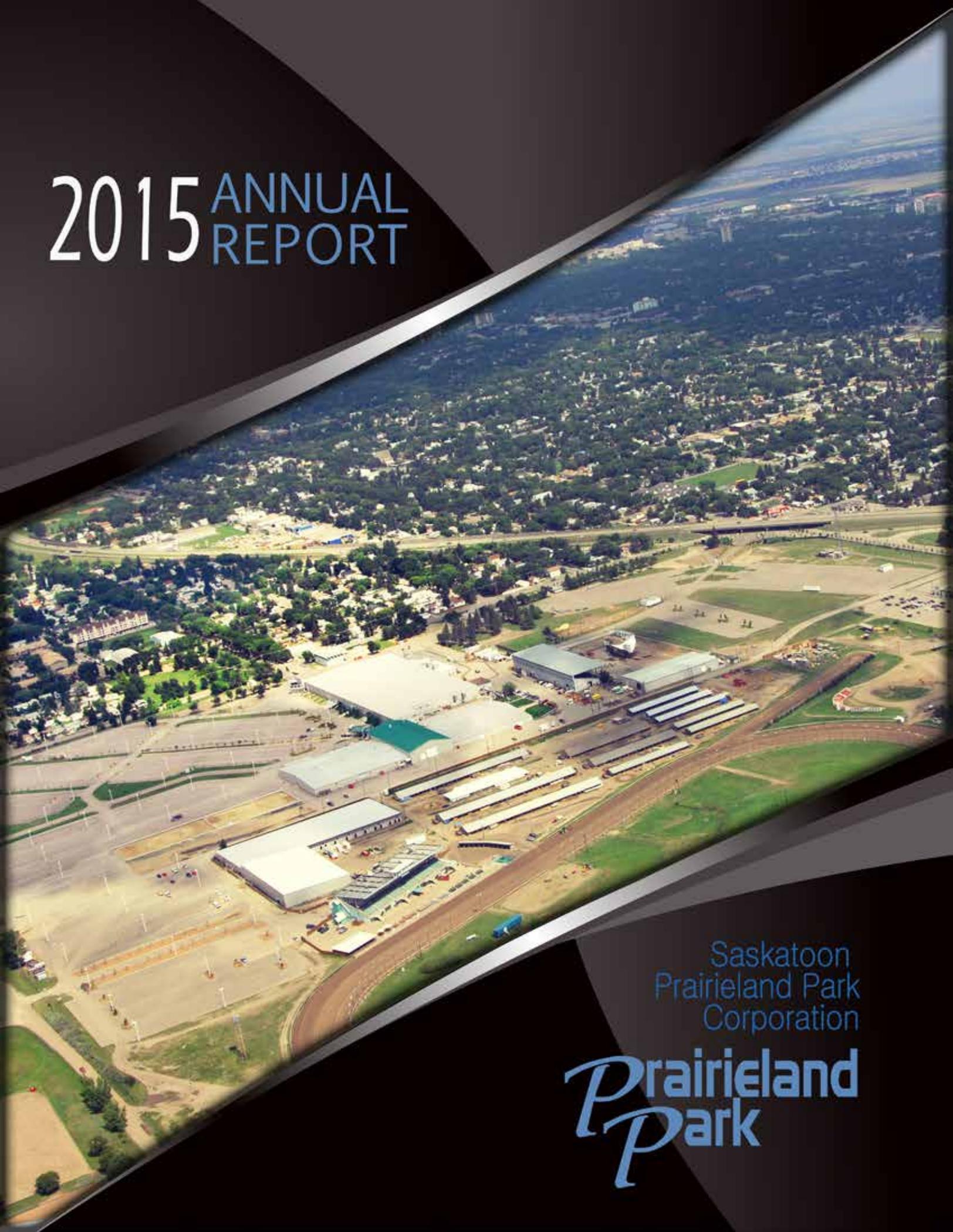


2015 ANNUAL REPORT



Saskatoon
Prairieland Park
Corporation

**Prairieland
Park**

Saskatoon Prairieland Park Corporation

2015 Annual Report

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MESSAGE FROM THE CHAIR, VOLUNTEER BOARD OF DIRECTORS

Saskatoon Prairieland Park continues to see strong growth. This does not happen without hard work led by Mark Regier and his dedicated management team who excel at meeting the demands this growth requires, and I especially thank you Korilee for your administrative assistance.

Prairieland Park has become the number one destination spot in Saskatchewan with over 1.6M attending events this year alone.

As you review the financial report, you will see that we are having an exceptional year in profits. But we need these funds to complete our capital requirements, infrastructure upgrades, and build a reserve as we plan the new 80,000 sq. ft. building.

Prairieland Park has dedicated and experienced Board members. This Board supports the growth balance that's needed for these upgrades. They support Capital improvements ensuring that the Park is current with today's needs, as well as a vision for a business plan that looks into our future.

This past year, the Board approved moving to a paperless technology by using Boardpaq, an iPad based program which gives Board members access to all pertinent information regarding Prairieland. All this at a touch of a button. The Boardpaq generates time savings for Korilee, and results in no more environmental waste of paper.

We discussed (which was unanimously approved by the Board and Management) to reduce the number of board members. It is currently at a minimum of 12 and a maximum of 17 and it is going down to a minimum of 9 and a maximum of 12. We are a Governance Board, not an operating Board and we feel this is the right time to recommend this change. We have streamlined down to 3 committees, and our near 100% attendance at these meetings ensures that the Board reaches all the requirements of what you expect from your Board. Our governance chair will be asking for your support on this matter.

Along with many other initiatives, we have started a quarterly review of board policies, updated the board self-evaluation document, and introduced a new board indoctrination manual.

Thank you to Dwight Buchholz for chairing the Audit/Finance committee, Don Hrapchak for chairing the Site Development committee and Stuart McDowell for chairing the Governance / Membership committee. Good work and progress happens at these meetings and these Chairs dedicate extra time to ensure it happens. You will be hearing from them during the committee reports.

I would also like to recognize the remaining Board members: Vice Chair Daymond Volk, Jack Brodsky, Larry Sommerfeld,

Steve Chisholm, Trevor Forrest, Brian Rossnagel, Curtis Gulka, Cory Thoms, Tracy Arno, and our City of Saskatoon representative Eric Olauson.

This will be the last year for Jack, Stuart and Larry. Thank you for your leadership.

This Park is growing, not in size but usage. We have received great reviews on the Ag Centre because of this growth. In fact, with the growing activity, there are times when we could use a larger centre. Our halls are being filled to capacity with waiting lists from vendors. Trade show demands are increasing each year. Sports on tap, Marquis Downs and our yearly Exhibition are on track with where we want to be.

Prairieland Park plays a large role in the identity and culture in our city and province. Everyone on this team understands this, and does their part to keep us relevant and moving forward.

Thank you to 'You', our members, for attending this yearly meeting and showing your support for the past and future growth of this great organization.

It's been my pleasure serving as the Chairman of this hard working Board, and also having the opportunity to work with Mark and his team.



Stu Irvine - Chair

BOARD OF DIRECTORS

SASKATOON PRAIRIELAND PARK CORPORATION

Saskatoon Prairieland Park Corporation is a world-class destination for premiere events, and entertainment. We produce, host, and facilitate extraordinary events through first-rate customer service and superior facilities.

OFFICERS

Chair – Stu Irvine

Past Chair – Trevor Forrest

Vice Chair – Daymond Volk

Audit/Finance – Dwight Buchholz

Site Development – Don Hrapchak

Governance/Membership – Stuart McDowell

Chief Executive Officer – Mark Regier

Chief Financial Officer – Dan Kempainen

Executive Assistant – Korilee Burgess

Auditors – Deloitte



Back Row: Stuart McDowell, Steve Chisholm, Larry Sommerfeld, Trevor Forrest, Don Hrapchak, Dwight Buchholz, Brian Rossnagel

Middle Row: Tracy Arno, Cory Thoms, Curtis Gulka, Jack Brodsky, Eric Olauson, Korilee Burgess (Exec. Ass't.)

Front Row: Daymond Volk (Vice Chair), Stu Irvine, (Chair), Mark Regier (Chief Executive Officer)

CHIEF EXECUTIVE OFFICER REPORT

The year 2015 concluded with many positive results here at Prairieland Park (PP). Another year of record cash from operations was achieved adding \$1,492,000 to the financial reserves of the corporation. The balance sheet (statement of financial position) is in a very healthy position with over \$10 million in current assets. A strong financial reserve protects the corporation in the event of an economic downturn and allows for expanded capital investments in property and equipment. Capital investments are critical for the Park to maintain a positive experience for our customers.

The 2015 live thoroughbred race season concluded 25 days of racing with the 55th running of the Saskatchewan Derby. The race fan experience was very positive again this year with large crowds in attendance most days of the summer. The \$368,000 investment by the corporation into a new race track base in 2014 resulted in only a couple of races being cancelled due to heavy rain. The new base was also an improvement for the safety of our jockeys and horses.

The Trade & Convention Centre was extremely busy this past year with the growth of client based events as well as PP produced shows. Two major national events were hosted at the Park. The Ernest C. Manning Awards of Innovation dinner took place on October 2, 2015. 450 guests from across Canada attended this prestigious dinner which awards \$250,000 in prizes to new Canadian innovators. This is the first time the dinner has been held in Saskatchewan. The annual Skills Canada competition was hosted at PP from May 27 – 30, 2016. Over 3,000 delegates, competitors, judges and family descended on Saskatoon for this major four day event. Over 200 computer stations were required in Hall B. The entire Trade & Convention Centre as well as three large tents were required to produce the event. Very few exhibition associations in Canada would have the capacity and manpower to host and produce this complex competition.

PP produced the following agriculture events throughout the past year: Western Canadian Crop Production Show, Saskatchewan Equine Expo, Prairieland Park Youth Leadership Conference, Saskatchewan Beef Expo, Prairieland Junior Ag Showcase, Ag Experience and operated the PP Ag Centre hosting 33 events and 200 days of horse boarding. This again demonstrates the strong commitment to agriculture by this corporation.

The 2015 “Saskatoon Ex” took place August 10 – 15, 2015 here at the Park. Despite several days of rain; 208,160 fun loving fair-goers were in attendance for the big, six day party. With good weather, we expect another large turnout in 2016 for this major provincial event. The Special Events Department also produced Gardenscape, 16 special events and three Small Business Christmas parties.

I wish to thank the Board of Directors for its leadership and guidance this past year. The corporation is fortunate to have a talented group of individuals who are dedicated to the mandate and mission statement of the Park. And to the management and staff for their commitment to delivering another year of first-rate customer service.



Mark Regier - CEO

PRAIRIELAND PARK ADMINISTRATION

INTERNAL DIRECTORS



Dan Kemppainen

Chief Financial Officer

Oversees the management of the Finance, Food & Beverage, and Sports on Tap departments.



Carl Schlosser

Director - Events

Oversees the management of the Events, Agriculture, Sales & Sponsorship, Technical Services, and Rentals departments.



Wayne Heiser

Director - Facilities

Oversees the management of the Operations department plus all facility and park development.

2015 Salaried Staff

Executive Office

Mark Regier – Chief Executive Officer

Korilee Burgess – Executive Assistant

Human Resource Department

Sharon Preston - Manager - Human Resources

Shirlee Olekson – Office Administrator

Marketing Department

Donna Bohrson – Manager - Marketing

Shandra Liss - Marketing Co-ordinator

Claire Letendre - Web Designer/Developer

Finance Department

Dan Kemppainen – Chief Financial Officer

Shawn Irwin – Controller

Paulette Pellerin – Payroll Administrator

Lisa Harms - Staff Accountant

Barry Podhorodeski - Staff Accountant

Brett Smith - IT & Financial Systems Administrator

Leica Carlson - Accounts Payable/Receivable Administrator

Events Department

Carl Schlosser - Director - Events

Susan Kuzma - Manager - Special Events

Jason Hynd - Manager - Sales & Corporate Sponsorship

Jay Boechler - Manager - Technical Services

Guylaine Patenaude - Events Administrator

Keat Maddison - Technical Services Coordinator

Food & Beverage Department

Sharon Odnokon - Manager - Food & Beverage

Erin Kuemper – Staffing Administrator

Eliot Lang- Executive Chef

Selina Callaghan - Sous Chef

Tricia Sullivan - Supervisor

Greg Hartz - Supervisor

Tammy Allen - Supervisor

Keith Sandy - 1st Cook

Agriculture Department

Lori Cates - Manager - Agriculture

Brenda Sapergia – Manager - Livestock

Leigh Ann Hurlburt - Agriculture Coordinator

Charlene Omelan - Agriculture Administrator

Shelley Wing – Exhibits Administrator

Crystal Willms - Ag Centre Coordinator

Rentals Department

Caroline Laird - Manager - Rentals

Gerald Ball – Production Coordinator

Monica Horn - Production Coordinator

Kyle Chudyk - Production Coordinator

Greg Monson - Sales Coordinator

Racing & Wagering

Rick Fior - Manager of Racing

Rose Hnatuk - Mutuel/Administrative Coordinator

Denis Paules – Operations Supervisor

Operations Department

Wayne Heiser - Director - Facilities

Allan Sorowski – Operations Manager

Colleen Woodley – Assistant Operations Manager

Patrick Laprairie – Custodial Service Supervisor

Dave Gruending – Equipment & Grounds Supervisor

Roger Miller - Operations Supervisor

Jonathon Burgess – Electrician

Dave Jack - Carpenter

Glenn Huber – Mechanic

Garth Sommerfeld – Operations Personnel

Sports on Tap

Amy Schindelka - Manager

Myles Marleau - Supervisor

Kelsey Stabler - Supervisor

AUDIT/FINANCE COMMITTEE REPORT

Saskatoon Prairieland Park Corporation reported financial results for the fiscal year ending December 31, 2015 as summarized below.

(figures presented in 000's)				
	2015	2014	\$ change	% change
Revenue	\$21,593	\$21,593	\$50	0.2%
Expenditures	\$19,446	\$19,074	\$372	2.0%
Excess Revenue over Expenditures	\$ 2,461	\$ 2,469	\$(8)	-0.3%
Reserves	\$ 7,221	\$ 5,729	\$1492	26.0%
Debt	\$ 4,433	\$4,833	\$(400)	-8.3%
Net Assets	\$22,218	\$19,757	\$2,461	12.5%
Expenditures on Fixed Assets	\$ 2,180	\$ 1,873	\$307	16.4%

Notes:

The increase in reserves for SPPC is due to these two factors:

- 1) \$1,000,000 added to the reserves investment portfolio in March 2015 from surplus (operating) capital. Of this amount, \$350,000 is a permanent addition to reserves with \$650,000 earmarked for future site development work.
- 2) \$491,729 representing realized (\$177,484 interest & dividends) and unrealized (\$314,245) gains on investments within the portfolio.

Management and staff are congratulated for delivering another year of solid financial results for the park.

Early each fiscal year the Audit and Finance Committee reviews annual budgets prepared by management then recommends those budgets to the Board of Directors. At committee meetings during the balance of the year, comprehensive financial reporting prepared by management is closely compared to the approved budgets with any variances fully explored.

The financial statements of Saskatoon Prairieland Park Corporation are audited by an external accounting firm appointed by the Board. The Audit and Finance Committee receives and approves the audit plan as prepared by this external auditor, and subsequently reviews the results of the audit. Consistent with previous years, financial statements of the park have received a "clean" audit report.

On behalf of the Audit and Finance Committee I would like to thank management for their cooperation and attention to detail in their reporting to this committee.

I would also like to thank members of this committee for their contributions this past year including Steve Chisholm, Brian Rossnagel, Larry Sommerfeld, and SPPC Chair Stu Irvine.

Respectfully submitted,

Committee Chair - Dwight Buchholz



GOVERNANCE/MEMBERSHIP COMMITTEE REPORT

Saskatoon Prairieland Park Corporation is an organization with roots deep in tradition but with its eyes focused clearly on the future. The mix of tradition and forward looking views also applies to the work of the Governance/Membership Committee.

Governance:

During 2015 the Board said goodbye to the traditional paper based board package whereby all board members received meeting information via courier to their home or office. The paper package has been replaced by electronic delivery of information to the iPads of the Directors using the Boardpaq software. This delivery method is both less expensive for Prairieland but also more secure as information is password protected and access is closely controlled by SPPC management.

2015 saw the end of the Community Partnership Program. The Community Partnership Program had provided free tradeshow space to an organization selected annually to showcase their organization to the public. Interest by community organizations in this program had waned in recent years and it was decided to discontinue it. New ideas will be considered to replace this program.

During the year, in excess of \$45,000 in unclaimed 50/50 ticket proceeds were donated to various local charities. Changes may be coming in 2016 that might change how these unclaimed proceeds are handled.

Annually, the committee reviews a portion of Prairieland's Governance Policies and Bylaws with the idea that all Policies and Bylaws will be reviewed over a 3 year cycle. As Prairieland continues to evolve so do the Corporation's Policies and Bylaws.

Membership:

You have been doing a great job spreading the word that Prairieland Park is an excellent organization to be part of. You will note from the below table that interest in SPPC is increasing year after year. As great a job as you have done, don't relax yet, please continue to encourage more of your friends and business acquaintances to get involved as a member, a committee member and to move up to the Board level.

Memberships approved during the Calendar Year

2013	2014	2015
6 - Personal	8 - Personal	28 - Personal, 1 Corporate

I wish to thank the members of the Governance/Membership Committee for their great work in 2015; Trevor Forrest, Tracy Arno, Curtis Gulka, Eric Olauson and the Chair of the Board, Stu Irvine.

Respectfully submitted,

Stuart McDowell



SITE DEVELOPMENT COMMITTEE REPORT

The Site Development Committee works each year with Management of Prairieland Park to evaluate those areas of improvements and repairs that are necessary to ensure that the organization continues to be the premier events location in Saskatchewan. The committee then makes recommendations to the entire Board for approval. Once given, management uses the Site Committee's plan for a blueprint of yearly expenditures.

Management tries to adhere to the guidelines approved at the board level, however, due to unforeseen events, Prairieland often has to adjust the priorities of the Site Development Committee. This year we had to address race horse barn structures earlier than had been planned.

In 2015, the Site Committee decided to tackle the electrical infrastructure upgrades full force. During the past few years we have been improving the park's electrical infrastructure in a piecemeal basis. The committee, with the approval from the Board are allocating close to \$2 million dollars on electrical upgrades. By completion, almost all of the unsightly overhead wires will be buried. The upgrades have started in the fall and the majority of the work will be completed prior to the summer fair.

Besides the commitment to upgrading the park's electrical footprint, many other projects were completed in 2015. The midway lighting was enhanced which was necessary considering the expansion of the midway last year. The Terrace room was given a facelift last year. Improvements continue to be made at Marquis Downs. The four furlong starting area was renovated and improved. As I mentioned earlier, close to \$200,000 was spent on demolishing and erecting a new race barn. Landscaping continues to be a priority and last year was no different. Finally, there were paving improvements made in the grandstand area.

Besides the electrical upgrades in 2016, other areas of the park will also see some attention. With the popularity of the midway during the fair week, more washrooms will have to be put in place. The spudnut facility is also earmarked for a facelift. A long term look at the spudnut facility is necessary as it is synonymous with the fair. The volleyball courts are so popular at Sports on Tap that it has been decided to erect two new courts in 2016. We will also be looking at upgrades to the main entrance of the Park. Landscaping and maintenance of the parking lot will also be on the agenda for this year.

With any growing organization such as Prairieland there are always areas of improvements that must be addressed. Those include more breakout rooms, foyer improvements, Marquis Downs and possible new buildings to handle the opportunities of the park.

It was a special year for the Site Committee and as the chair I would like to thank fellow committee members for their valuable input; Jack Brodsky, Daymond Volk, Cory Thoms and Stu Irvine. I would also like to thank the staff, Mark, Wayne and Korilee for their assistance during the year.

Respectfully submitted,

Don Hrapchak, Chair



OUR PARTNERS

Prairieland Park appreciates the association and assistance of our major corporate partners, plus the many other sponsors who continue to support our programs and events throughout the year.

Major Corporate Partners



Event Partners

96.3 CRUZ FM	Dupont	RAM Truck Tour
98 COOL FM	Dupont Pioneer	RBC Financial
AgriCard Finance	Early's Farm & Garden Centre Inc.	RE/MAX
Astro Towing	Edmonton Hotel Association	Richardson International
Bacardi Canada	Enterprise Rental	Roadtrek Motorhomes
Barndog Productions Inc.	Farm Credit Canada	Rock 102
BASF	FMC	Rocky Ridge Ranch
Bayer CropScience	Global Television	SAASE
Beachcomber Hot Tubs	Goodyear	Sask Cattleman's Association
Beam Suntory	Handy Special Events	Sask Credit Unions
Beef Business Magazine	Heagy Altrogge Matchett & Partners	Sask Energy
Best Buy	HJR Asphalt	Sask Milk
Blair's Fertilizer	Koch Ag Services	Sask Ministry of Agriculture
Buhler Industries	Loraas Disposal	Sask Power
C95	LS Energy Ltd	Saskatchewan Blue Cross
Calidon Leasing	Mac's Convenience Stores	Saskatchewan Lotteries
Captive Audience	Market Tire	Saskatoon Blades
Cargill	McCain Foods	Saskatoon Co-op
Cervus Equipment	MD Ambulance	Saskatoon Fire & Protective Services
City of Saskatoon	Merck	Saskatoon Police Service
City of Saskatoon Environmental Services	MNP	SGI
CJWW	Monsanto	Subway
CJYM / CFYM	NAERIC	Sysco
CKOM 650	National Bank of Canada	The Bull 92.9
Conexus Credit Union	National Smokeless Tobacco	The Star Phoenix
Constellation Brands	National Leasing	Top Crop Manager
Cowtown	North American Midway Entertainment	Western Producer Publications
Crop Production Services	Novozymes	Wireless Age
CTV Saskatoon	Nufarm	
DFI	NUOMAAC	
Dick Bonnycastle	Old Dutch Foods	
Dow AgroSciences	Omega Alpha	
	Pizza 73	

2015 PRAIRIELAND EVENTS

Western Canadian Crop Production Show

January 12 – 15, 2015

The Crop Production Show continues to be Western Canada's premier grain industry showcase presenting information to producers on the latest technology, services and products. A total of 351 companies utilized 1022 trade show booths in 2015. The show was sold out again with approximately 20 companies on the waiting list. The Precision Ag Seminar attracted 125 participants and was a highlight of the show. Strong attendance of 18,806 people over the 4 day event was attributed in part to the great weather, but also to the reputation the show has gained over the past 32 years.



Saskatchewan Equine Expo

February 13 – 15, 2015

Record crowds of over 9500 attended the fourth annual Saskatchewan Equine Expo. Throughout the weekend, attendees were able to take part in a variety of seminars and demonstrations presented by the Western College of Veterinary Medicine; and world renowned horsemen, Jonathon Field and Sandy Alexander. The Friday and Saturday evening Equine Extravaganza thrilled a sold out audience and included the Battle of the Breeds challenge; the Ultimate Cow Horse Competition, and a demonstration from the Saskatchewan Cowboy Mounted shooters. Cain Quam from Kendall, Saskatchewan won the NAERIC Trainers Challenge and 85 companies marketed their products in 170 trade show booths.



Youth Leadership Conference

February 21-22, 2015

A total of 44 participants aged 14-21 took part in the annual Prairieland Youth Leadership Conference. Activities began on Saturday with a presentation by Shannon Floer, Consultant and Facilitator. Then the 4H members were divided into teams and worked out their own strategies for Goal Setting and Time Management with specific scenarios. Three judges were challenged to assign marks to the participants by observing the teams as they worked, as well as an interview that was conducted on Saturday evening as part of the final marks. Shannon Floer was also the guest speaker at the awards banquet concluding the program on Sunday evening.



Western Canadian Championship Snow Drag Races

March 7- 8, 2015

In 2015, the Snow Drag Races returned to a one day event attracting competitors from the three prairie provinces and was hosted at Marquis Downs Racetrack on Saturday, March 7th. Mother Nature was much kinder this year with a decent amount of snow and mild conditions for show day. Fans and competitors were treated to a great day of speed and excitement. This was the third year for this event and restructuring was necessary to enable the show to be financially successful. The competitors loved the facility and location, but unfortunately, even with all the changes made to this year's event, it just didn't attract enough of an audience to make it financially viable. The event will not be renewed in 2016.



Saskatchewan Blue Cross Gardenscape

March 27 - 29, 2015

2015 was a very exciting year as we were able to announce our three year partnership with Saskatchewan Blue Cross as our new title sponsor.

Gardenscape was established in 1990 and has evolved into one of western Canada's premier backyard lifestyle and horticulture shows promoting, educating, inspiring and celebrating all aspects of horticulture and backyard living. In 1990 the show had a handful of booths in the Jubilee Building and grew in a few short years to fill the 40,000 square foot hall. As Prairieland Park grew so did the show and now Saskatchewan Blue Cross Gardenscape has in excess of 400



booths and has expanded into 4 halls with a total of 120,000 square feet of trade show and exhibit space. Some of the successes of Saskatchewan Blue Cross Gardenscape are attributed to the strict show criteria. Maintaining this focus over the years has been a challenge at times but the rewards have made it worthwhile. Show patrons and exhibitors have come to appreciate the industry focused exhibits and displays and have endorsed this mandate with increases in both show attendance and exhibitors over the years.

Gardenscape is an excellent example of Prairieland's commitment to support industry. This show has provided an opportunity for the industry to come together annually to market and educate the community on products, new trends in the industry and services.

In 2016, the show moves to early April due to an early Easter. The first signs of spring at Prairieland begin April 8, 9, and 10. The bulbs are cooling and the trees are leafing out as we await the upcoming growing season in Saskatchewan.



Saskatchewan Beef Expo

March 28 - 29, 2015

The Prairieland Park Ag Centre was a hub of activity over the weekend, as over 120 youth aged 9 – 21 gathered to participate in the second year of the event that included an education and competition component specifically for youth involved in the beef industry. Kirk Stierwalt, world renowned cattle fitter, educator and judge, spent Saturday sharing his secrets to success with the participants and their families. There were presentations from industry leading professionals offering their expertise on topics such as herd health, safe animal handling and proper use of implants. Show ring competitions on Sunday allowed the participants to demonstrate some of the skills they learned on Saturday and use the day as a warm up for their club or regional 4H show.



World Professional Chuckwagon Races

June 4 - 7, 2015

After a successful kickoff weekend in Grande Prairie, the World Professional Chuckwagon Association drivers and wagons were ready for the "Half Mile of Hell" right here in Saskatoon at Marquis Downs race track at Prairieland Park. Thanks to sponsors and fans for a great weekend of action as the WPCA provided world-class entertainment featuring 36 amazing drivers and their athletic and superbly trained horses in a uniquely western spectacle. Just short of 5,000 fans were in attendance over the 4 days of racing June 4 to 7; with Mark Sutherland taking home his first Championship.



Prairieland Junior Ag Showcase

July 3-6 & 10-12, 2015

The Prairieland Junior Ag Showcase events were held over two weekends in 2015 to accommodate the various species. 244 4-H'ers from across the province participated in a variety of events including Light Horse, Beef, Dairy, Sheep and Showcase of Arts competitions.



The Saskatoon EX -- Memories that will last a lifetime!

August 4 - 9, 2015

Despite some wet weather, the 129th annual Saskatoon Exhibition attracted in excess of 208,000 people and set a new daily attendance record on Sunday with 37,129 enthusiastic fairgoers attending Saskatchewan's largest summer festival.

The Grandstand concerts were once again a huge draw for the event with Marianas Trench kicking the week off. Then Magic, Hedley, Dean Brody and classic rock icon Burton Cummings and Band rocked the house for a two hour electrifying concert that outdid his previous visit in 2013. Sunday had a new format with the addition of an afternoon concert featuring The Sons of the Pioneers. And the week was finished off with a dirt party featuring Longshot and the Crash'n Bash Demolition Derby.





The addition of the Blitzler Roller Coaster was a huge success to our midway entertainment and provided another spectacular attraction for all ages. Families at the EX were treated to the new features in the expanded Kidsville area including additional lighting and a new washroom along with many new family features in the Hall E Fun Zone.

Toopy & Bino, Barney, as well as hypnotist Terrance B provided families with entertainment for all ages. Phenomene – Beyond Cirque and Illusion did not disappoint with standing room only shows all 6 days.

Animal shows at The EX continue to educate our patrons and provide an opportunity to get up close to many exotic animals including the Extreme Wild Fangtastic Show, Australia – Animals Down Under, and not so exotic Superdogs.

The cloudy skies did not stop us from capping off each evening with a feature firework presentation. Plans are well underway for the 130th annual event to be held August 9 to 14, 2016.

This year's event created many "memories that will last a lifetime" and we look forward to creating many more in 2016.



AG-EXperience for Students

October 6 - 8, 2015

Live animals were the student favorite again at the annual AG-Experience for Students on October 6-8 in the Prairieland Park Ag Centre. In excess of 650 students were guided through 13 stations in Hall D and the Ag Centre focusing on food production and the importance of agriculture to Saskatchewan. Producer involvement with hands-on interactive sessions allowed students a close-up view of agriculture including animal care, the environment, and how some products are processed. Live cow milking and sheep herding have become a favorite of both students and teachers. New this year was a station on water conservation and by-products. The AG-Experience is presented with support from Saskatchewan Ministry of Agriculture, Sask Milk, and Agriculture in the Classroom.



Special Events for everyone at Prairieland Park

2015 was a busy year for the Special Events Department with a total of sixteen events produced or hosted throughout the year.

Along with the various corporate events, trade shows and touring cabarets, we also produced a couple of new events in the Kickin' Horse Saloon area which were very successful and provided us with another unique performance area for summer festivals. This quality of outdoor green space is very popular for touring festival-style events and we look forward to promoting this area in the future.

2016 already looks like it will be another busy year with tour events, university theme cabarets, corporate events and our ever popular Small Business Christmas Parties and New Year's Eve Cabaret. We are very excited to have a number of clients committing to multiple year agreements on their annual events so the future is very bright for the events department.



Prairieland Park Ag Centre

The Ag Centre continues to be the premier facility for hosting equine events in Saskatchewan. From November to March there were approximately 40 horses boarding on a full time basis; plus regular riding lessons throughout the week and weekend events hosted by many different associations. The Ag Centre was booked for 384 event days in 2015 hosting approximately 16,400 visitors.

Marquis Downs

May 29 – September 5, 2015

Marquis Downs once again had another successful thoroughbred race season. Due to poor air quality, racing had to be cancelled on July 4. Additional races were added to specific cards to make up for the lost races. Once again we had a strong horse inventory and an extremely competitive jockey colony. Race patrons experienced high quality racing with many close finishes. Marquis Downs was scheduled to run 26 days but with the cancellation in July, only 25 days were run, with a purse pool totaling \$798,700. With 372 horses registered to race, 38% of the 190 races that were run offered 8 horses or more. The pari-mutuel handle was \$975,977. Wagering online (HPI) and Off Track Wagering generated \$287,629 to bring the total handle to \$1,263,606 for an average daily handle of \$50,544 which is a 9.1% increase over 2014. In 2014 the total handle for 24 days was \$1,108,860 for an average daily handle of \$46,203. The Saskatchewan Liquor and Gaming Authority licensed 521 people in the racing industry of which 105 of those worked at Marquis Downs during live racing.



The 55th running of the Saskatchewan Derby was run on September 5 for a purse of \$20,000. The winner was Saskatchewan owned, Saturdaynitelites who raced at Canterbury Downs in Minnesota. Saturdaynitelites stalked the leaders, moved strongly down the backstretch, took command a furlong out and then bested Victory Storm in the final furlong to take home the winners share of \$11,800. Due to torrential rains the final two races had to be cancelled. The total handle for the evening including HPI and Off Track Wagering was \$60,879. The staff and management at Marquis Downs would like to thank all of those people who made 2015 a most successful year.

Sports on Tap

We had another exciting year here at SOT. There always seems to be so much going on. The year started off with a bang as Canada won the World Junior Championship. A month later there was the Superbowl. And then of course we get into spring with another stellar turnout for our beach volleyball season. We had great weather and not many rain outs so that's always a success in our eyes. Unfortunately, the Riders had a bit of a struggle so the Rider Nation momentum wasn't quite as strong as we're used to. Luckily, we had the Blue Jays on their amazing playoff run to keep us on our toes instead. We also got our VIP room "The Bullpen" up and running which has already proven to be a great success. We look forward to another great year to come and we hope to see everyone out to enjoy the excitement that is Sports On Tap.



OUR MEMBERSHIP

GENERAL MEMBERS

Craig Allan
 Kathleen Alexander
 Carey Allchurch
 Gordon R. Allchurch
 Lorraine Allchurch
 Terry Alm
 Al Anderson
 Doug Anderson
 Jacqueline Anderson
 Joan Anderson
 Lorne O. Anderson
 Maryann Anderson
 Tracy Arno
 Mayor Don Atchison
 Ken Barrett
 Grace Bartzen
 Neva Bayliss
 Aaron Bazylak
 Art Belanger
 Dwight R. Benning
 Wendy Benson
 Bud Besse
 David Bilanski
 Marlys Bilanski
 Cam Bird
 Donna Birkmaier
 Gisele Blanchette
 Kelly Block
 Milton Block
 Joe Bloski
 Ruth Bond-Martinson
 Merv Brand
 Todd Brandt
 Linda Braun
 Norma Briskar
 William Briskar
 Don Bristow
 Jack Brodsky
 Jan Bruce
 Dwight Buchholz
 Jill Buechler
 Neil Buechler
 Adele Buettner
 Amylia Buettner
 Orrin Bull
 Hudson Byblow
 Mel Byblow
 G.R. (Garry) Byers
 John N. Campbell
 Blaine Canitz
 Les Cannam
 Duane Carruthers
 Glenda Carruthers
 Lester Cey
 Ken Cheveldayoff
 Trish Cheveldayoff
 Lily Chin
 Steve Chisholm
 Cory Chophonis
 Dorothy Clement
 Wayne Clement
 Bill Cooper
 Francis Crosse
 Doug Daigle
 Troy Davies
 Bill Davis
 Joyce Davis
 Wayne Davis
 Peter Dawson
 Gord Deibert

Tyson Delorme
 Darren Deminchuk
 Terry Deneiko
 Dana Derenoski
 Shona Dietz
 Eldon Driedger
 Bev Dubois
 Vic Dubois
 Gene Dupuis
 Dave Dutchak
 Wendell Dyck
 Bruce Eaton
 Valerie Ellis
 Harold Empey
 Dave Engel
 Roger Ethier
 Gary Evans
 Lynn Evans
 Tony Fabbro
 David Fairlie
 Bob Fawcett
 Don Featherstone
 Marjorie Featherstone
 Maurice Fedorchuk
 Randy Fernets
 Jacqui Fleury
 Jason Forrest
 Trevor Forrest
 Phyllis Fowler
 Arny Froese
 Shannon Froese
 Fay Gabrielson
 Neil Gabrielson
 Paul Gauthier
 Arden Gibb
 Darlene Gibb
 Michael Groniak
 Trevor Grabowski
 Curtis Gulka
 Al Habicht
 Gordon Haddock
 Norm Hall
 Lou Hammond
 Ketilson
 Linda Hamre
 Henry Hamre
 Judy Harwood
 Ross Harwood
 Jean Heidt
 Myles Heidt
 Brian Heinz
 Al Hergott
 Diane Hergott
 Merle Hicks
 Ron Hicks
 Anthony Hill
 Ruth Hill
 Fay Hoiness
 Michele Houle
 Cheryl Hrapchak
 Don Hrapchak
 Cara Humphrey
 Bart Hunter
 Dean Hurlburt
 Delvyn Huyghebaert
 Roxanne Irvine
 Stu Irvine
 Robert Istace
 Donald Johnson
 Sylvia Johnson

Kane Kachur
 Wilfred Kary
 Darrell Kasahoff
 Deborah Kasahoff
 Joe Kasahoff
 Ralph Katzman
 Douglas Keats
 Gordon Kemp
 Lyla Kempainen
 Toivo Kempainen
 Bob Kenny
 Melanie Kenny
 Neil Ketilson
 Rick King
 Len Klassen
 David Klatt
 Randy Klein
 Andy Klotz
 Karen Kobussen
 George Kool
 Frances Korolchuk
 Dr. Effie Kutsogiannis
 Larry Labiuk
 Jim Lang
 Melissa Larouche
 Joan Lasiuk
 Vivian Laturus
 Don LaVallee
 Norman Lawrence
 Michael LeClaire
 Ronald James Lee
 Richard Letkeman
 Veronique Loewen
 Darcy Luoma
 Connie Lynch
 Michael Lynch
 Gerald MacLeod
 Lesley Magnus
 Randy Magnus
 Walter Mah
 Russel Marcoux
 Harold Martinson
 Flo Mawson
 Cara Mazurak
 Wayne Mazurak
 Chuck McCutcheon
 Stuart McDowell
 Brent McFadzen
 Frank McKeown
 Lynda McWatters
 Sterling McWatters
 Daved Meakin
 Susan Michasiw
 Walter Michasiw
 Michael Millar
 Keith Moen
 Sandy Morgan
 Ron Morris
 Doreen Morrison
 Merv Morrison
 Debbie Murphy
 Cheryl Nelson
 Shawna Nelson
 Tatum Neveu
 Darrell Novakovski
 Derrick Oberhofer
 Eric Olauson
 Charles Olfert
 Sylvia Oliver
 Ian Oliver

Murray Osborn
 Roberta Palen
 Patricia Patterson
 Terry Patterson
 Del Peters
 Todd Peterson
 Jack Phipps
 Steve Pidgurski
 Patrick Pitka
 Darlene Pratt
 John Presseau
 Randy Pshebylo
 Hank Pulles
 Christopher Rachul
 Terri Rasmussen
 Adrienne Rawling
 Don Regier
 Beatrice Reid
 Rick Reid
 Linda Reynolds
 Michelle Richards
 Chris Riis
 Margaret Riis
 Len Ritchot
 Ben Robb
 Marlene Rochelle
 Rocky Rochelle
 Sharon Rochelle
 Wayne Rorke
 Shirley Ross
 Brian Rossnagel
 Laurel Rossnagel
 Don Rothenburger
 W.F. (Bill) Ryan
 Joan Sachse
 Linda Saunders
 Arthur Sawatsky
 Barry Sawchuk
 Al Schell
 Brad Schlosser
 Kim Schmidt
 Murray Schmidt
 Al Scholz
 Steve Shannon
 George Shrimpton
 Brian Sim
 Reta Simpson
 Carol Skelton
 J.N. (Jim) Smart

Jason Smith
 Julian Smith
 Larry Sommerfeld
 Dana Soonias
 Vern Sparrow
 Keon Sproule
 Edna Start
 James Start
 Irv Stevens
 Marjorie Stevens
 Ron Stevens
 Dawn Stranden
 Kim Stranden
 Pat Stranden
 Dick Strayer
 Bert Sutherland
 Brian Swidrovich
 Brad Sylvester
 Bob Tait
 Lynn Tait
 Milton Taylor
 Howard Thomas
 Cory Thoms
 Paul Tiessen
 Wayne Tillotson
 Allan Tirk
 Tim Tkachuk
 Greg Trew
 Jim Twigg
 Daymond Volk
 Anne Wallace
 Patrick Wallace
 JoAnne Wasako
 Kevin Waugh
 Harvey Welter
 Kristy Werner
 Dennis Wiebe
 Rosella Willems
 Willmer Willems
 C.M. Williams
 Cassandra Williamson
 Betty Willms
 Ken Willms
 Lynne Yelich
 Bernie Yuzdepski
 Peter Zakreski
 Reynold Zeiler
 David Zolinsky

CORPORATE MEMBERS

Centennial Food Service
 Cheung On Investments
 Culligan Water Conditioning
 Early's Farm & Garden Centre Inc.
 Global Television
 Greater Saskatoon Chamber of Commerce
 Handy Group
 Horizon Computer Solutions Inc.
 Maxie's Excavating Ltd.
 Ramada Hotel
 Saskatchewan Trade & Export Partnership
 U of S College of Agriculture
 Western Development Museum

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SASKATOON PRAIRIELAND PARK CORPORATION

We have audited the accompanying financial statements (the “financial statements”) of Saskatoon Prairieland Park Corporation (the “Corporation”) which comprise the statement of financial position as at December 31, 2015 and the statements of operations and net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2015 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



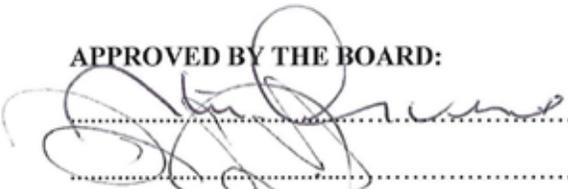
**Chartered Professional Accountants, Chartered Accountants
Licensed Accountants**

March 2, 2016
Saskatoon, Saskatchewan

SASKATOON PRAIRIELAND PARK CORPORATION
STATEMENT OF FINANCIAL POSITION
as at December 31, 2015

	Notes	2015	2014
CURRENT ASSETS			
Cash		\$ 2,400,502	\$ 1,934,558
Marketable securities	4	7,221,132	5,729,403
Accounts receivable	5,10	492,960	600,792
Inventories	6	323,762	270,861
Prepaid expenses		196,736	164,893
		<u>10,635,092</u>	<u>8,700,507</u>
PROPERTY AND EQUIPMENT	7	<u>18,836,164</u>	<u>18,679,987</u>
		<u>\$ 29,471,256</u>	<u>\$ 27,380,494</u>
LIABILITIES AND NET ASSETS			
Accounts payable and accrued liabilities		\$ 1,429,210	\$ 1,393,611
Customer deposits		1,344,582	1,311,031
Government remittances payable		46,284	85,946
Current portion of long-term debt	8	400,000	400,000
		<u>3,220,076</u>	<u>3,190,588</u>
Long-term debt	8	4,033,333	4,433,333
		<u>7,253,409</u>	<u>7,623,921</u>
COMMITMENTS	13		
NET ASSETS			
Net assets invested in property and equipment		14,402,831	13,846,654
Net assets, unrestricted		7,815,016	5,909,919
		<u>22,217,847</u>	<u>19,756,573</u>
		<u>\$ 29,471,256</u>	<u>\$ 27,380,494</u>

APPROVED BY THE BOARD:

.....Director
.....Director

The accompanying notes are an integral part of these financial statements.

SASKATOON PRAIRIELAND PARK CORPORATION
STATEMENT OF OPERATIONS AND NET ASSETS
year ended December 31, 2015

	Notes	2015	2014
REVENUE			
Trade & Convention Centre		\$ 7,112,839	\$ 6,408,405
Special Events & Programs		4,416,379	4,734,803
Agriculture		1,783,347	1,562,285
Horse Racing & Sports on Tap		5,012,225	5,286,246
Corporate	4,9	3,582,836	3,551,439
		<u>21,907,626</u>	<u>21,543,178</u>
EXPENDITURES (Schedule)			
Trade & Convention Centre		7,629,909	7,271,782
Special Events & Programs		2,670,736	2,835,690
Agriculture		774,900	730,965
Horse Racing & Sports on Tap		5,108,808	5,118,948
Corporate		3,261,999	3,116,756
		<u>19,446,352</u>	<u>19,074,141</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
Trade & Convention Centre		(517,070)	(863,377)
Special Events & Programs		1,745,643	1,899,113
Agriculture		1,008,447	831,320
Horse Racing & Sports on Tap		(96,583)	167,298
Corporate		320,837	434,683
		<u>2,461,274</u>	<u>2,469,037</u>
NET ASSETS, BEGINNING OF YEAR		<u>19,756,573</u>	<u>17,287,536</u>
NET ASSETS, END OF YEAR		<u>\$ 22,217,847</u>	<u>\$ 19,756,573</u>

The accompanying notes are an integral part of these financial statements.

SASKATOON PRAIRIELAND PARK CORPORATION
STATEMENT OF CASH FLOWS
year ended December 31, 2015

	2015	2014
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 2,461,274	\$ 2,469,037
Items not affecting cash and unrealized gain		
Amortization of property and equipment	2,023,468	1,886,086
Unrealized gain in market value of marketable securities	(314,245)	(303,717)
Changes in non-cash working capital items	52,576	464,405
	<u>4,223,073</u>	<u>4,515,811</u>
INVESTING ACTIVITIES		
Cash interest received reinvested	(177,484)	(142,352)
Purchase of marketable securities	(1,000,000)	(1,000,000)
Additions to property and equipment	(2,179,645)	(1,873,717)
	<u>(3,357,129)</u>	<u>(3,016,069)</u>
FINANCING ACTIVITIES		
Repayment of long-term debt	-	(5,205,485)
Proceeds from long-term debt	-	5,200,000
Repayment of long-term debt	(400,000)	(366,667)
	<u>(400,000)</u>	<u>(372,152)</u>
NET INCREASE IN CASH	465,944	1,127,590
CASH POSITION, BEGINNING OF YEAR	1,934,558	806,968
CASH POSITION, END OF YEAR	\$ <u>2,400,502</u>	\$ <u>1,934,558</u>

The accompanying notes are an integral part of these financial statements.

SASKATOON PRAIRIELAND PARK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2015

1. NATURE OF OPERATIONS

Saskatoon Prairieland Park Corporation (the "Corporation") was incorporated under the Non-Profit Act of Saskatchewan on December 13, 1911. Activities of the Corporation include trade shows, agricultural events, horse racing, school programs, the Saskatoon Exhibition and the operation of Sports on Tap.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Revenue Recognition

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Management fees are recognized as revenue when received or receivable. Customer deposits received for events are deferred until revenue is recognized.

Financial Instruments

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is measured at amortized cost except for short-term and long-term investments which are measured at fair value as at the reporting date. Fair value fluctuations in these assets including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in administration revenues.

The Corporation's financial assets measured at fair value include quoted shares and investments in bonds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and long-term debt.

Transaction costs related to cash and short-term and long-term investments are expensed as incurred. Transaction costs related to other financial instruments are netted against the carrying value of the asset or liability and are then recognized over the expected life of the instrument using the effective interest method.

SASKATOON PRAIRIELAND PARK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

The Corporation uses the effective interest method to recognize interest income or expense which includes transaction costs or fees, premiums or discounts earned or incurred for financial instruments.

Inventories

Inventories are recorded at cost and valued at the lower of cost and net realizable value with cost being determined on a first in, first out basis. Inventories consist of alcohol, food, and other items.

Property and Equipment

Property and equipment are recorded at cost. Normal maintenance and repair expenditures are expensed as incurred.

Amortization of property and equipment is recorded in the accounts on a straight-line basis at rates expected to amortize the cost of the assets over their estimated useful lives:

Buildings	2.5% - 12.5%
Equipment	10% - 33.3%
Leasehold improvements and paving	4% - 10%

Impairment of Long-lived Assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value of long-lived assets exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value at the date of impairment.

Government Assistance

Government assistance is recorded in the financial statements when there is reasonable assurance that the Corporation has complied with, and will continue to comply with, all conditions necessary to obtain the assistance. Government assistance is reflected as a reduction in the cost of the assets or expenses to which it relates.

SASKATOON PRAIRIELAND PARK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2015

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of the Corporation's financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates are used when accounting for items and matters such as allowance for doubtful accounts, inventory obsolescence, amortization of property and equipment, provisions and contingencies.

3. LINE OF CREDIT

The Corporation maintained an authorized line of credit of \$1,000,000. At December 31, 2015, there was \$nil (2014 - \$nil) drawn against the line of credit. Interest on any outstanding credit is calculated at prime. The line of credit is secured by the assets of the Corporation.

4. MARKETABLE SECURITIES

In 2015, \$314,245 (2014 - \$303,717) was reported as an unrealized gain in corporate revenue on the statement of operations and net assets.

The marketable securities are comprised of listed equities and bonds. Bonds earn interest at rates between 1.70% and 9.976% (2014 – 1.48% and 6.98%) with maturity dates between 2-30 years (2014 – 3-94 years).

	<u>2015</u>	<u>2014</u>
Bonds	\$ 2,580,020	\$ 2,227,396
Listed shares	4,641,112	3,502,007
	<u>\$ 7,221,132</u>	<u>\$ 5,729,403</u>

5. ACCOUNTS RECEIVABLE

	<u>2015</u>	<u>2014</u>
Trade	\$ 419,698	\$ 513,790
Other	73,262	87,002
	<u>\$ 492,960</u>	<u>\$ 600,792</u>

SASKATOON PRAIRIELAND PARK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2015

6. INVENTORIES

	<u>2015</u>	<u>2014</u>
Food	\$ 150,695	\$ 143,062
Alcohol	160,638	111,896
Other	12,429	15,903
	<u>\$ 323,762</u>	<u>\$ 270,861</u>

The inventories recognized as an expense during the year amount to \$2,669,261 (2014-\$2,642,419).

7. PROPERTY AND EQUIPMENT

	<u>2015</u>			<u>2014</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Buildings	\$ 23,712,102	\$ 13,845,672	\$ 9,866,430	\$ 10,402,142
Equipment	10,776,306	8,571,802	2,204,504	2,008,504
Leasehold improvements	1,455,903	483,775	972,128	1,023,060
Roads	9,501,594	4,544,087	4,957,507	5,216,035
Capital projects in progress	-	-	-	19,414
Site development	835,595	-	835,595	10,832
	<u>\$ 46,281,500</u>	<u>\$ 27,445,336</u>	<u>\$ 18,836,164</u>	<u>\$ 18,679,987</u>

Land occupied by the Corporation is provided under a lease with the City of Saskatoon expiring in the year 2045.

SASKATOON PRAIRIELAND PARK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2015

8. LONG-TERM DEBT

	2015	2014
Term demand loan payable in monthly instalments of \$33,333 principal plus interest at prime; maturing in April of 2027; secured by all of the assets of the Corporation.	\$ 4,433,333	\$ 4,833,333
	4,433,333	4,833,333
Less current portion	400,000	400,000
	\$ 4,033,333	\$ 4,433,333

On March 2, 2016, the Bank of Montreal confirmed that there is no current intention to demand payment on the loans within the year and as a result the term demand loans have been recorded as long-term.

9. SIGA MANAGEMENT FEES

Pursuant to an agreement with the Government of Saskatchewan, Saskatchewan Indian Gaming Authority (“SIGA”) was required to advise the Corporation of the August 10, 2007 opening day for the Dakota Dunes Casino. This required the closure of the Emerald Casino on August 5, 2007. Monthly payments to the Corporation for the compensation of lost income from the casino closure commenced upon the opening of Dakota Dunes Casino. In accordance with the agreement, \$2,600,004 (2014 - \$2,600,004) was received in the current year and recorded as management fees within corporate revenue.

Under the agreement, SIGA will pay to the Corporation, for a period of thirty (30) years, annual payments in the amount of \$2,600,004 payable in monthly installments of \$216,667.

The agreement between SIGA and the Corporation shall cease if; (1) the Corporation operates gaming, other than permitted gaming on land it owns, leases, or controls or (2) if the Corporation ceases to exist as a corporation without previously assigning its assets to a successor entity with the consent of SLGA or (3) ceases to conduct active business operations.

SASKATOON PRAIRIELAND PARK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2015

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

Credit Risk

The Corporation's principal financial assets are cash, marketable securities, and accounts receivable, which are subject to credit risk. The carrying amounts of financial assets on the statement of financial position represent the Corporation's maximum credit exposure at the statement of financial position date.

The Corporation's credit risk is primarily attributable to its trade receivables. The Corporation does not have significant exposure to any individual customer and has not incurred any significant bad debts during the year and has a \$nil allowance for bad debts (2014 - \$nil). The credit risk on cash and marketable securities is limited because the counterparties are chartered banks with high credit-ratings assigned by national credit-rating agencies.

Interest Rate Risk

The interest bearing marketable securities have a limited exposure to interest rate risk due to their short term maturity. Fixed-rate investments subject the Corporation to a fair value risk.

The debt bears interest at rates which are reset annually or more frequently, based on Canadian prime rate and as such is subject to interest rate risk.

Liquidity Risk

The Corporation's objective is to have sufficient liquidity to meet its liabilities when due. The Corporation monitors its cash balances and cash flows generated from operations to meet its requirements. As at December 31, 2015 the most significant financial liabilities are accounts payable and accrued liabilities and long-term debt.

Fair Values

The fair values of cash, accounts receivable and accounts payable and accrued liabilities, approximate their carrying values due to their short-term maturity.

The fair value of marketable securities is based on quoted market prices.

The fair value of long-term debt approximates its carrying value due to its interest rate floating with prime.

SASKATOON PRAIRIELAND PARK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
year ended December 31, 2015

11. INCOME TAXES

The Corporation is incorporated under the Non-Profit Corporations Act of Saskatchewan and is not subject to income tax under the provisions of paragraph 149(1)(l) of the Income Tax Act.

12. COMPARATIVE FIGURES

Certain of the prior year amounts have been reclassified to conform to current presentation. Excess of revenues over expenditures and net assets previously reported have not been affected by this reclassification.

13. COMMITMENTS

In connection with the construction of certain capital projects, the Corporation has capital commitments at December 31, 2015 of approximately \$1,574,890 (2014 - \$nil), of which \$514,000 has been spent as of December 31, 2015 (2014 - \$nil).

SASKATOON PRAIRIELAND PARK CORPORATION
SCHEDULE OF EXPENDITURES
year ended December 31, 2015

	2015	2014
Advertising and promotion	\$ 418,841	\$ 438,479
Administration and office	476,589	470,074
Amortization of property and equipment	2,023,468	1,886,086
Contracted services	1,496,352	1,529,163
Cost of sales	2,669,261	2,642,419
Equipment rental	306,632	282,419
Host track fees	429,753	446,030
Insurance	169,034	171,248
Interest expense on long-term debt	130,115	154,197
Licenses and permits	26,058	20,544
Professional fees	47,581	48,897
Purses and prize money	894,310	899,386
Racing tote, data lines, and decoders	304,564	278,320
Repairs, maintenance, and supplies	910,423	885,034
Utilities	944,468	1,025,064
Wages and benefits	8,198,903	7,896,781
	<u>\$ 19,446,352</u>	<u>\$ 19,074,141</u>

The accompanying notes are an integral part of these financial statements.

