Town of Canora

CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2025

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Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The council is composed of elected officials who are not employees of the municipality. The council is responsible for overseeing management in the performance of its financial reporting responsibilities. The council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. The council is also responsible for recommending the appointment of the municipality's external auditors.

Baker Tilly SK LLP, an independent firm of chartered professional accountants, is appointed by the council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the council and management to discuss their audit findings.

Mayor

Administrator

Independent Auditors' Report

To the Council
Town of Canora

Qualified Opinion

We have audited the consolidated financial statements of Town of Canora, (the municipality), which comprise the consolidated Statement of Financial Position as at December 31, 2025 and the consolidated Statements of Operations, Change in Net Financial Assets and Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the municipality as at December 31, 2025, and results of its operations and its consolidated cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

PS 3280 asset retirement obligations requires the municipality to recognize a liability at the reporting date for future costs that the municipality is legally obligated to incur for the retirement of a tangible capital asset. The municipality owns several buildings constructed prior to 1990 that likely contain asbestos and require remediation upon the retirement of the building. A liability has not been recognized for these costs. As insufficient information is available with regards to the extent and expected costs of the likely remediation activities, we are unable to determine the asset retirement obligation liability that would have been recognized on the current or prior year's statement of financial position, or the impacts on expenses, surplus and accumulated surplus of the current or prior year.

PS 3280 asset retirement obligations also requires the municipality to recognize a liability at the reporting date for future costs that the municipality is legally obligated to incur for the de-commissioning and post-closure monitoring costs of its landfill. The municipality has recognized a liability of $1,766,727 related to these obligations. We were unable to obtain sufficient appropriate audit evidence to support the measurement of this liability. As such, we are unable to determine the impact on the current or prior year's statement of financial position, or the impacts on expenses, surplus and accumulated surplus of the current or prior year.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 qualified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the municipality'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 municipality or to cease operations, or has no realistic alternative but to do so.

Council is responsible for overseeing the municipality's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality'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 municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the group consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
June 26, 2026

Town of Canora

Canora, Saskatchewan

Statement 1

Consolidated Statement of Financial Position as at December 31, 2025

	2025	2024 (Note 14)
Assets		
Financial Assets		
Cash and cash equivalents (note 2)	1,549,409	732,784
Taxes receivable - municipal (note 3)	478,319	449,360
Other accounts receivable (note 4)	341,947	274,109
Total Financial Assets	2,369,675	1,456,253
Liabilities		
Accounts payable (note 9)	314,385	711,061
Accrued liabilities payable	36,513	36,513
Deferred revenue (note 7)	360,668	160,587
Asset retirement obligation (note 8)	1,766,727	2,495,301
Long-term debt (note 10)	1,290,858	469,808
Lease obligations (note 11)	100,028	-
Total Liabilities	3,869,179	3,873,270
Net Financial Assets (Debt)	(1,499,504)	(2,417,017)
Non-Financial Assets		
Tangible capital assets (schedules 6 and 7)	16,868,064	16,942,813
Prepayments and deferred charges	36,872	35,396
Stock and supplies (note 6)	91,116	89,335
Assets held for sale (note 5)	652,265	598,629
Total Non-Financial Assets	17,648,317	17,666,173
Accumulated Surplus	$ 16,148,813	$ 15,249,156

Approved on behalf of the council:

Mayor

Councillor

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Statement of Operations

For the year ended December 31, 2025

Statement 2

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 14)
Revenues			
Tax revenue (schedule 1)	2,692,806	2,825,268	2,438,096
Other unconditional revenue (schedule 1)	618,709	618,709	580,935
Fees and charges (schedules 4 and 5)	2,138,514	2,345,522	2,726,208
Conditional grants (schedules 4 and 5)	1,812,000	13,250	42,500
Tangible capital asset sales - gain (loss) (schedules 4 and 5)	-	(536,703)	-
Land sales - gain (schedules 4 and 5)	-	(31,118)	(42,670)
Investment income (schedules 4 and 5)	20,000	14,262	43,113
Recovery of expenses (schedules 4 and 5)	-	728,574	-
Provincial/Federal capital grants and contributions (schedules 4 and 5)	220,632	26,495	273,008
Total Revenues	7,502,661	6,004,259	6,061,190
Expenses (schedule 3)			
General government services	734,842	690,097	1,215,612
Protective services	522,845	378,359	507,199
Transportation services	1,565,928	1,355,094	1,558,746
Environmental and public health services	692,770	741,127	691,682
Planning and development services	160,714	180,554	173,315
Recreation and cultural services	1,021,910	948,821	934,344
Utilities services	815,489	810,550	728,097
Total Expenses	5,514,498	5,104,602	5,808,995
Annual Surplus of Revenue over Expenses	1,988,163	899,657	252,195
Accumulated Surplus, Beginning of Year	15,249,156	15,249,156	14,996,961
Accumulated Surplus, End of Year	$ 17,237,319	$ 16,148,813	$ 15,249,156

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2025

Statement 3

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 14)
Surplus	1,988,163	899,657	252,195
(Acquisition) of tangible capital assets	-	(1,731,462)	(3,769,619)
Amortization of tangible capital assets	-	1,139,512	1,013,692
Proceeds on disposal of tangible capital assets	-	130,000	-
Loss on the disposal of tangible capital assets	-	536,703	-
Surplus (Deficit) of Capital Expenses over Expenditures	-	74,753	(2,755,927)
(Acquisition) of supplies inventories	-	(1,781)	(9,249)
(Acquisition) of prepaid expense	-	(35,101)	(35,396)
Use of prepaid expense	-	33,620	32,344
(Acquisition) of other non-financial assets	-	(53,635)	-
Use (disposal) of other non-financial assets	-	-	583,367
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	-	(56,897)	571,066
Increase (Decrease) in Net Financial Assets	1,988,163	917,513	(1,932,666)
Net Financial Assets (Debt), beginning of year	(2,417,017)	(2,417,017)	(484,351)
Net Financial Assets (Debt), End of Year	$ (428,854)	$ (1,499,504)	$ (2,417,017)

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Statement of Cash Flow — Statement 4

For the year ended December 31, 2025

	2025	2024 (Note 14)
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	899,657	252,195
Amortization	1,139,511	1,013,692
Loss on disposal of tangible capital assets	536,703	-
	2,575,871	1,265,887
Change in Assets/Liabilities		
Taxes receivable - municipal	(28,959)	(72,256)
Other receivables	(67,838)	97,082
Land for resale	(53,635)	583,369
Accounts payable and accrued liabilities	(396,680)	462,569
Utility deposits	100	1,250
Deferred revenue	199,980	(72,291)
Other liabilities	(728,574)	132,327
Stock and supplies for use	(1,781)	(9,251)
Prepayments and deferred charges	(1,476)	(3,053)
Cash Provided by Operating Transactions	1,497,008	2,385,633
Capital:		
Acquisition of capital assets	(1,731,462)	(3,769,618)
Proceeds from the disposal of capital assets	130,000	-
Cash Applied to Capital Transactions	(1,601,462)	(3,769,618)
Financing:		
Long-term debt issued	1,487,384	-
Long-term debt repaid	(566,305)	(273,065)
Other financing	-	(3,042)
Cash Provided by (Applied to) Financing Transactions	921,079	(276,107)
Change in Cash and Cash Equivalents During the Year	816,625	(1,660,092)
Cash and cash equivalents, beginning of year	732,784	2,392,876
Cash and Cash Equivalents, End of Year	$ 1,549,409	$ 732,784

1. **Significant Accounting Policies**

The consolidated financial statements of the municipality have been prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the municipality are as follows:

(a) Basis of accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable, and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

(b) Reporting entity

The consolidated financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the council for the administration of their financial affairs and resources.

Partnerships: A partnership represents a contractual arrangement between the municipality and a party or parties outside the reporting entity. The partners have significant, clearly defined common goals, make a financial investment in the partnership, share control of decision making, and share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership. These consolidated financial statements contain the following partnerships:

Canora Fire Protection District - 35% proportionate consolidation

(c) Collection of funds for other authorities

Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in note 3.

(d) Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or are the result of a direct financial return. Government transfers are recognized as revenue in the period that the events giving rise to the transfer occur, providing:

(i) the transfers are authorized;
(ii) any eligibility criteria and stipulations have been met; and
(iii) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until eligibility criteria or stipulations are met.

Earned government transfer amounts not received will be recorded as an amount receivable.

1. **Significant Accounting Policies** - continued

(d) Government transfers - continued

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(e) Other (non-government transfer) contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the municipality if the amount can be reasonably estimated and collection is reasonably assured. Externally-restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally-restricted contributions are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received to the extent that they would be paid for on the normal operations of the municipality's activities and the fair value can be reasonably estimated.

(f) Deferred revenue - fees and charges

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

(g) Local improvement charges

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

(h) Net financial assets

Net financial assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(i) Non-financial assets

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(j) Appropriated reserves

Reserves are established at the discretion of council to designate surplus for future operating and capital transactions. Amounts so designated are described on schedule 8.

1. **Significant Accounting Policies** - continued

(k) Property tax revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

(l) Financial instruments

Derivative and equity instruments (or other portfolio investments) that are quoted in an active market are carried at fair value. All other financial instruments are measured at cost/amortized cost; financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

Interest and dividends attributable to financial instruments are reported in the statement of operations. If there are any unrealized gains and losses, they are recognized in the statement of remeasurement gains and losses. When the investment is disposed of, the accumulated gains or losses are reclassified to the statement of operations.

Long-term debt:
Long-term debt is initially recognized net of premiums, discounts and transaction costs and is measured at amortized cost with interest expense recognized using the effective interest rate method.

Long-term receivables:
Receivables with terms longer than one year have been classified as other long-term receivables.

Measurement of Financial Instruments:
The municipality's financial assets and liabilities are measured as follows:

Financial statement line item	Measurement
Cash and cash equivalents	cost or amortized cost
Other accounts receivable	cost or amortized cost
Accounts payable and accrued liabilities	cost or amortized cost
Deposit liabilities	cost or amortized cost
Long-term debt	cost or amortized cost
Lease obligations	cost or amortized cost

(m) Stock and supplies

Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business.

1. **Significant Accounting Policies** - continued

(n) Tangible capital assets

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The municipality's tangible capital assets useful lives are estimated as follows:

General Assets	
Land	Indefinite
Land improvements	20-40 years
Buildings	11-40 years
Vehicles	20 years
Machinery and equipment	10-20 years
Leased capital assets	10-20 years
Infrastructure Assets	
Linear assets	15-40 years

(o) Government contributions

Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

(p) Works of art and other unrecognized assets

Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

(q) Capitalization of interest

The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

(r) Leases

All leases are recorded on the consolidated financial statement as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risks associated with the leased asset is classified as capital leases and recorded as tangible capital assets. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the present value of the minimum lease payments, excluding executory costs. Assets under capital leases are amortized on a straight-line basis over their estimated useful lives (lease term). Any other lease not meeting the before-mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

1. **Significant Accounting Policies** - continued

(s) Employee benefit plans

Contributions to the municipality's multi-employer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.

(t) Revenue

Revenue from transactions with no performance obligations are recognized as received or as the municipality becomes aware of, provided collection is reasonably assured.

Investment income is recognized as earned.

For revenue items with related performance obligations:

Fees and charges are transactions with performance obligations. A performance obligation is a promise to provide a distinct good or service, or services, or distinct goods or services to a payor for consideration. The municipality recognizes revenue when the performance obligations are satisfied and the payor obtains control of the asset or benefits from the service provided.

When a single transaction requires the delivery of more than one performance obligation, the revenue recognition criteria are applied to the separately identifiable performance obligations. A performance obligation is considered to be separately identified if the product or service recognized as revenue for each performance obligation is its fair value in relation to the fair value of the contract as a whole.

For each performance obligation, the municipality must ascertain whether the obligation is satisfied over a period of time, or at a point in time. In order to do this, the characteristics of the underlying goods and/or services must be considered in order to determine when the ultimate performance obligations will be satisfied. If any of the below criteria are met, the revenue must be recognized over a period of time; otherwise, corresponding amounts are to be recognized at a point in time.

a) The payor simultaneously receives and consumes the benefits provided by the municipality's performance as they fulfill the performance obligation.
b) The municipality's performance creates or enhances an asset (for example, work in progress) that the payor controls or uses as the asset is created or enhanced.
c) The municipality's performance does not create an asset with an alternative use to itself, and the municipality has an enforceable right to payment for performance completed to date.
d) The municipality is expected to continually maintain or support the transferred good or service under the terms of the agreement.

When determining the amounts of revenue to recognize at various stages along the point of time, determinants vary but often include percentage complete.

1. **Significant Accounting Policies** - continued

(t) Revenue - continued

Non-exchange transactions are transactions or events where there is no direct transfer of goods or services to a payor. The municipality receives an increase in economic resources for which the payor does not receive any direct goods or services in return. Revenue for non-exchange transactions is recognized when the municipality has the authority and identifies a past transaction or event that gives rise to an asset.

Revenue from product sales is recognized when the significant rewards of ownership of the products have passed to the buyer, usually on the delivery of products.

(u) Use of estimates

The preparation of consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures during the period.

Use of estimates impacts the following financial statement areas:

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality.

The opening asset costs of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets.

The liability associated with asset retirement obligations is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date, the discount rate and inflation.

The values associated with the initial recognition and impairment tests of intangible capital assets involve significant estimates and assumptions, including those with respect to future cash inflows and outflows, discount rates and asset lives.

These determinations will affect the amount of amortization expense on intangible capital assets recognized in future periods. Management assesses impairment by comparing the recoverable amount of an intangible capital asset with its carrying value. The determination of the recoverable amount involves significant estimation by management.

Measurement of financial instruments at fair value and recognition and measurement of impairment of financial instruments requires the use of significant management estimates.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

1. **Significant Accounting Policies** - continued

(v) Basis of segmentation/segment report

The municipality follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General government: provides for the administration of the municipality.
Protective services: comprised of expenses for police and fire protection.
Transportation services: responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.
Environmental and public health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.
Planning and development: provides for neighbourhood development and sustainability.
Recreation and culture: provides for community services through the provision of recreation and leisure services.
Utility services: provides for delivery of water, collecting and treating of wastewater, and providing collection and disposal of solid waste.

(w) Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 6, 2025.

(x) Assets held for sale

The municipality is committed to selling the asset, the asset is in a condition to be sold, the asset is publicly seen to be for sale, there is an active market for the asset, there is a plan in place for selling the asset and the sale is reasonably anticipated to be completed within one year of the financial statement date.

(y) Asset retirement obligation

Asset retirement obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development or normal use. The tangible assets include, but are not limited to, assets in productive use, assets no longer in productive use, and leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the municipality to incur costs in relation to a specific Tangible Capital Asset (TCA), when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date.

1. **Significant Accounting Policies** - continued

(y) Asset retirement obligation - continued

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the municipality derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of operations.

(z) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

(i) An environmental standard exists;
(ii) Contamination exceeds the environmental standard;
(iii) The municipality:
  a) Is directly responsible; or
  b) Accepts responsibility;
(iv) It is expected that future economic benefits will be given up; and
(v) A reasonable estimate of the amount can be made.

(aa) New accounting standards and amendments to standards

A new conceptual framework was issued in December 2022 with an effective date of April 1, 2026, replacing the conceptual aspects of Sections PS 1000, Financial Statement Concepts and PS 1100, Financial Statement Objectives. This revised conceptual framework is a guide for the Public Sector Accounting Board as it develops new standards or amends existing ones. The purpose of the revised framework is to guide public sector entities as they need to develop accounting policies when no other standards in the PSA Handbook specifically apply to a transaction.

A new PS 1202, Financial Statement Presentation, standard was issued in November 2023, with an effective date of April 1, 2026, to replace previous PS 1201, Financial Statement Presentation, and to incorporate other relevant aspects of previous Sections 1000 and PS 1100.

The extent of the impact on adoption of these future standards is not known at this time.

2. Cash and Cash Equivalents

	2025	2024
Cash	$ 1,549,409	$ 732,784

Cash and cash equivalents includes balances with banks and short-term deposits with maturities of three months or less.

3. Taxes and Grants In Lieu Receivable

	2025	2024
Taxes receivable - municipal current	348,255	355,485
Taxes receivable - municipal arrears	130,945	94,756
	479,200	450,241
Less: Allowance for uncollectibles	881	881
Total municipal taxes receivable	478,319	449,360
Taxes receivable - school current	26,271	54,982
Taxes receivable - school arrears	18,044	12,421
Total school taxes receivable	44,315	67,403
Total taxes and grants in lieu receivable	522,634	516,763
Deduct taxes to be collected on behalf of other organizations	(44,315)	(67,403)
Municipal and Grants In Lieu Taxes Receivable	$ 478,319	$ 449,360

4. Other Accounts Receivable

Federal government	26,463	95,863
Provincial government	96,464	61,165
Utility	55,089	85,046
Trade	167,415	50,232
Less: Allowance for uncollectibles	(3,484)	(18,197)
Net Other Accounts Receivable	$ 341,947	$ 274,109

5. Assets Held for Sale

Tax title property	290,360	269,354
Allowance for market value adjustment	(180,916)	(213,546)
Net tax title property	109,444	55,808
Other land	1,067,821	1,067,821
Allowance for market value adjusment	(525,000)	(525,000)
Net other land	542,821	542,821
Total Assets Held for Sale	$ 652,265	$ 598,629

Tax title property and other land has been classified as a non-financial asset as there is no active market for these assets nor are they reasonably estimated to be sold within a year.

6. Stock and Supplies

Stock and supplies are comprised of the following:

	2025	2024
Gravel	12,600	14,600
Water and sewer	74,463	70,034
Other	4,053	4,701
	$ 91,116	$ 89,335

7. Deferred Revenue

	Balance, Beginning of Year	Plus Amount Received	Less Amount Recognized	Balance, End of Year
Canada Community Building Fund	63,806	130,332	-	194,138
Sask Lotteries grant	27,116	25,523	20,707	31,932
Prepaid property tax	46,990	47,524	46,990	47,524
Canora Fire Protection District	-	63,499	-	63,499
Other	1,950	2,700	1,900	2,750
Utility deposits	20,725	100	-	20,825
	$ 160,587	$ 269,678	$ 69,597	$ 360,668

8. Asset Retirement Obligation

	2025	2024
Opening balance	2,495,301	2,362,975
Accretion expense	-	132,326
Changes in estimated cash flows	(728,574)	-
	$ 1,766,727	$ 2,495,301

Landfill

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final coverings and landscaping of the landfill, pumping of ground water, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance.

The reported liability is based on estimates and assumptions with respect to events extending over a 33-year period using the best information available to management.

Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

	2025	2024

9. Accounts Payable

Accounts payable are comprised of the following items:

	2025	2024
Accounts payable	184,459	643,220
Due to school	46,635	43,707
Payroll deductions payable	26,182	24,134
Other payables	57,109	-
	$ 314,385	$ 711,061

10. Long-Term Debt

The debt limit of the municipality for 2026 is $4,447,575. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (The Municipalities Act section 161(1)).

(a) Bank loans are repayable as follows:

John Deere financial loan is repayable in monthly instalments of $759 including principal and interest at 4.40%. The loan is secured by the 2020 John Deere utility tractor purchased.

Crossroads Credit Union bank loan is repayable in three annual blended installments of $4,033 including interest at 5.45% and a final blended payment of $5,557. The bank loan is secured by a general assignment of property taxes receivable.

Crossroads Credit Union bank loan is repayable in two annual blended installments of $168,530 including interest at 4.45% and a final blended payment of $172,890. The bank loan is secured by a general assignment of property taxes receivable.

Crossroads Credit Union bank loan is repayable in two annual blended installments of $94,473 including interest at 5.45% and a final blended payment of $72,918. The bank loan is secured by a general assignment of property taxes receivable.

Crossroads Credit Union bank loan is repayable in a one-time principal payment of $225,200 and quarterly blended installments of $84,800 including interest at 4.29%. The bank loan is secured by a general assignment of property taxes receivable and grants.

Crossroads Credit Union bank loan is repayable in annual blended installments of $25,520 including interest at 4.45% and a final blended payment of $6,733. The bank loan is secured by a general assignment of property taxes receivable and grants.

10. **Long-Term Debt** - continued

Future principal repayments are estimated as follows:

	Principal	Interest	2025 Total	2024 Principal
2025	-	-	-	236,466
2026	542,342	72,914	615,256	228,258
2027	341,815	27,510	369,325	5,084
2028	352,959	12,298	365,257	-
2029	23,132	2,389	25,521	-
2030	24,161	1,359	25,520	-
Thereafter	6,449	284	6,733	-
	$ 1,290,858	$ 116,754	$ 1,407,612	$ 469,808

11. **Lease Obligations**

The municipality has the following capital leases:

2025 John Deere 2400 Precisioncut Triplex mower - Lease obligation is repayable at monthly payments with a combined principal and interest of $1,254 at a rate of 4.8% and is scheduled to mature in 2030.

2024 John Deere 2400 Precisioncut Triplex mower - Lease obligation is repayable at monthly payments with a combined principal and interest of $817 at a rate of 4.1% and is scheduled to mature in 2030.

Future minimum lease payments under the capital leases, together with the balance of the obligation due under the capital leases, are as follows:

	2025
2026	23,733
2027	23,733
2028	23,733
2029	23,733
2030	16,239
Total future minimum lease payments	111,171
Amounts representing interest	(11,143)
Capital lease liability	$ 100,028

The interest expense related to lease liabilities is $1,099.
Cost of capital assets under capital leases included in machinery and equipment is $117,973.

12. **Employee Benefits Plans**

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The benefits accrued to the municipality's employees from MEPP are calculated using the following: Pensionable years of service, highest average salary, and the plan accrual rate.

For further information of the amount of MEPP deficiency/surplus information see: https://mepp.peba.ca/fund-information/plan-reporting

All contributions by employees are matched equally by the employer. The contribution rates were updated on July 1, 2018. Employee contribution rates in effect for the year are as follows:

	2025	**2024**
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

	2025	2024
Benefit expense	$ 91,228	$ 98,525

As per the most recently audited consolidated financial statements dated December 31, 2024, the plan surplus is $1,511,598 (in thousands).

13. **Investment in Government Partnerships**

Canora Fire Protection District was established through a partnership with four municipalities in 2025. The purpose of Canora Fire Protection District is to provide fire protection services to all residents within its boundaries. The municipalities within the partnership are the Town of Canora, R. M. of Good Lake No. 274, R. M. of Sliding Hills No. 273, and R. M. of Keys No. 303.

The condensed supplementary financial information of Canora Fire Protection District is as follows:	**2025**
Statement of Financial Position	
Financial assets	224,511
Financial liabilities	224,511
Net financial assets	(4,027)
Non-financial assets	673,075
Accumulated Surplus	$ 669,048
Statement of Operations	
Revenue	963,567
Expenses	290,492
Surplus	$ 673,075

13. **Investment in Government Partnerships** - continued

The financial statements shown are proportionately consolidated with the municipality financial statements at 35% representing the municipality's interest in Canora Fire Protection District. After eliminating inter-company transactions, the following amounts have been included in the consolidated financial statements:

	2025
Statement of Financial Position	
Financial assets	47,828
Financial liabilities	65,031
Net financial assets	(17,203)
Non-financial assets	235,576
Accumulated Surplus	$ 218,373
Statement of Operations	
Revenue	70,369
Expenses	79,696
Surplus	$(9,327)

In the event that Canora Fire Protection District is dissolved, the municipality is responsible for its share of any costs in excess of the net assets of Canora Fire Protection District. At December 31, 2025, Canora Fire Protection District plans to continue operations for the foreseeable future.

14. **Comparative Figures**

Certain balances for comparative purposes have been reclassified to conform with the current year's presentation.

15. **Risk Management**

Through its financial assets and liabilities, the municipality is exposed to various risks.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge their responsibilities with respect to the financial instrument, and in so doing, cause a loss for the other party. The financial instruments that potentially subject the municipality to credit risk consist of other accounts receivable.

The municipality has mitigated its exposure to credit risk on financial instruments through the ability to pursue tax enforcement under The Municipal Act.

Liquidity risk
Liquidity risk is the risk that the entity will encounter difficulty in meeting financial obligations as they fall due. The municipality undertakes regular cash flow analyses to ensure that there are sufficient cash resources to meet all obligations.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency and other price risk.

15. **Risk Management** - continued

Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The financial instruments that potentially subject the municipality to interest rate risk consist of long term debt as the rates are based on the prime rate of interest.

The municipality obtained loans from Crossroads Credit Union with interest rates based on prime rate. Since 2022, significant inflation occurred, Bank of Canada has increased the prime rate from 2.70% up to 7.2% at December 31, 2023 and back down to 4.45% at December 31, 2025. This change has resulted in a decrease in the interest payable from December 31, 2024 to December 31, 2025.

16. **Statement of Remeasurement Gains and Losses**

There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

Town of Canora

Consolidated Schedule of Taxes and Other Unconditional Revenue — Schedule 1

For the year ended December 31, 2025

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 14)
Taxes			
General municipal tax levy	2,322,869	2,322,869	2,208,230
Abatements and adjustments	(30,850)	(33,367)	(36,899)
Discount on current year taxes	(30,060)	(30,060)	(29,086)
Net municipal taxes	2,261,959	2,259,442	2,142,245
Trailer license fees	1,216	1,267	1,337
Penalties on tax arrears	34,000	37,198	34,713
Special tax levy	124,530	249,062	-
Total Taxes	2,421,705	2,546,969	2,178,295
Unconditional Grants			
Revenue sharing	618,709	618,709	580,935
Total Unconditional Grants	618,709	618,709	580,935
Grants In Lieu of Taxes			
Federal	20,938	19,837	18,528
Provincial			
S.P.C. electrical	2,030	1,667	1,510
SaskTel	5,187	3,723	4,453
Local/Other			
Housing authority	48,946	48,396	44,709
Other Government Transfers			
S.P.C. surcharge	132,000	137,414	130,682
Sask Energy surcharge	62,000	67,262	59,919
Total Grants In Lieu of Taxes	271,101	278,299	259,801
Total Taxes and Other Unconditional Revenue	$ 3,311,515	$ 3,443,977	$ 3,019,031

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-1

For the year ended December 31, 2025

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 14)
General Government Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Rental revenue	60,700	60,507	25,773
Sale of supplies	17,930	19,191	22,210
Other	2,000	2,566	2,953
Total Fees and Charges	80,630	82,264	50,936
Land sales - gain	-	(31,118)	(42,670)
Investment income	20,000	14,262	43,113
Total Other Segmented Revenue	100,630	65,408	51,379
Conditional Grants			
Student employment	7,000	7,000	-
Other	1,800,000	1,250	42,500
Total Conditional Grants	1,807,000	8,250	42,500
Total General Government Services	$ 1,907,630	$ 73,658	$ 93,879
Protective Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Fire fees	182,025	70,369	118,505
Other	4,000	7,171	3,212
Total Fees and Charges	186,025	77,540	121,717
Tangible capital asset sales - gain (loss)	-	(498,671)	-
Total Other Segmented Revenue	186,025	(421,131)	121,717
Total Protective Services	$ 186,025	$ (421,131)	$ 121,717
Transportation Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Custom work	500	-	1,755
Total Fees and Charges	500	-	1,755
Tangible capital asset sales - gain	-	8,976	-
Total Other Segmented Revenue	500	8,976	1,755
Total Operating	500	8,976	1,755
Capital			
Conditional Grants			
Other	26,495	26,495	24,995
Total Capital	26,495	26,495	24,995
Total Transportation Services	$ 26,995	$ 35,471	$ 26,750

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Schedule of Operating and Capital Revenue by Function Schedule 2-2

For the year ended December 31, 2025

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 14)
Environmental and Public Health Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Waste and disposal fees	524,000	807,335	1,333,367
Cemetery fees	50,200	39,448	54,350
Other	4,000	4,256	5,421
Total Fees and Charges	578,200	851,039	1,393,138
Tangible capital asset sales - gain (loss)	-	(47,008)	-
Recovery of expenses	-	728,574	-
Total Other Segmented Revenue	578,200	1,532,605	1,393,138
Total Operating	578,200	1,532,605	1,393,138
Capital			
Conditional Grants			
Canada Community-Building Fund (CCBF)	194,137	-	248,013
Total Capital	194,137	-	248,013
Total Environmental and Public Health Services	$ 772,337	$ 1,532,605	$ 1,641,151
Planning and Development Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Other	14,860	38,194	56,051
Total Other Segmented Revenue	14,860	38,194	56,051
Total Planning and Development Services	$ 14,860	$ 38,194	$ 56,051
Recreation and Cultural Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Recreation fees	202,250	192,560	204,757
Donations	160,500	171,651	10,695
Total Other Segmented Revenue	362,750	364,211	215,452
Conditional Grants			
Local government	5,000	5,000	-
Total Conditional Grants	5,000	5,000	-
Total Recreation and Cultural Services	$ 367,750	$ 369,211	$ 215,452

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 14)
Utility Services			
Operating			
Other Segmented Revenue			
Fees and charges			
Water	897,400	923,310	878,340
Other utilities	18,149	8,964	8,819
Total Other Segmented Revenue	915,549	932,274	887,159
Total Utility Services	$ 915,549	$ 932,274	$ 887,159
Total Operating and Capital Revenue by Function	$ 4,191,146	$ 2,560,282	$ 3,042,159
Summary			
Total Other Segmented Revenue	2,158,514	2,520,537	2,726,651
Total Conditional Grants	1,812,000	13,250	42,500
Total Capital Grants and Contributions	220,632	26,495	273,008
Total Operating and Capital Revenue by Function	$ 4,191,146	$ 2,560,282	$ 3,042,159

Town of Canora

Total Expenses by Function — Schedule 3-1

For the year ended December 31, 2025

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 14)
General Government Services			
Council remuneration and travel	94,780	93,885	94,475
Wages and benefits	399,117	385,650	363,341
Professional/Contractual services	167,100	170,349	151,385
Utilities	31,400	26,990	24,763
Maintenance, materials and supplies	37,200	30,016	30,823
Grants and contributions - operating	-	10,851	-
Amortization	4,845	4,845	4,845
Allowance for uncollectibles	400	(32,630)	545,982
Other	-	141	(2)
Total General Government Services	$ 734,842	$ 690,097	$ 1,215,612
Protective Services			
Police protection			
Professional/Contractual services	210,000	204,828	200,048
Maintenance, materials and supplies	500	500	500
Fire protection			
Wages and benefits	62,700	37,068	77,445
Professional/Contractual services	115,828	75,376	88,447
Utilities	1,900	-	7,784
Maintenance, materials and supplies	70,901	40,364	72,753
Amortization	61,016	20,223	60,222
Total Protective Services	$ 522,845	$ 378,359	$ 507,199
Transportation Services			
Wages and benefits	648,059	515,432	603,564
Professional/Contractual services	172,900	159,043	166,006
Utilities	87,200	84,741	84,928
Maintenance, materials and supplies	171,500	121,715	194,200
Gravel	20,000	21,929	38,824
Amortization	450,350	436,921	440,629
Interest	15,919	15,313	30,595
Total Transportation Services	$ 1,565,928	$ 1,355,094	$ 1,558,746

Town of Canora

Total Expenses by Function — Schedule 3-2

For the year ended December 31, 2025

	2025 Budget (Note 1(w))	2025 Actual	2024 Actual (Note 14)
Environmental and Public Health Services			
Wages and benefits	46,713	37,110	45,706
Professional/Contractual services	464,000	497,393	424,662
Utilities	7,000	4,801	2,385
Maintenance, materials and supplies	14,500	6,315	33,859
Grants and contributions - operating - waste disposal	-	-	25,202
Amortization	160,557	174,958	27,541
Accretion of asset retirement obligation	-	-	132,327
Interest	-	20,550	-
Total Environmental and Public Health Services	$ 692,770	$ 741,127	$ 691,682
Planning and Development Services			
Wages and benefits	96,215	95,632	87,645
Professional/Contractual services	14,800	23,930	16,095
Grants and contributions - operating	4,000	4,150	3,750
Amortization	8,299	8,299	8,463
Maintenance, materials and supplies	37,400	48,543	57,362
Total Planning and Development Services	$ 160,714	$ 180,554	$ 173,315
Recreation and Cultural Services			
Wages and benefits	312,884	276,856	281,601
Professional/Contractual services	175,140	142,175	162,484
Utilities	150,900	132,006	137,986
Maintenance, materials and supplies	130,000	143,537	96,638
Grants and contributions - operating	36,819	36,819	35,627
Amortization	208,442	207,234	202,721
Interest	7,725	10,194	17,287
Total Recreation and Cultural Services	$ 1,021,910	$ 948,821	$ 934,344
Utility Services			
Wages and benefits	100,151	99,297	97,026
Professional/Contractual services	206,500	215,573	145,774
Utilities	92,500	81,750	88,537
Maintenance, materials and supplies	125,000	123,692	121,669
Amortization	289,624	287,031	269,271
Interest	714	2,690	4,779
Allowance for uncollectibles	1,000	517	1,041
Total Utility Services	$ 815,489	$ 810,550	$ 728,097
Total Expenses by Function	$ 5,514,498	$ 5,104,602	$ 5,808,995

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Schedule of Segment Disclosure by Function

For the year ended December 31, 2025

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues (schedule 2)								
Fees and charges	82,264	77,540	-	851,039	38,194	364,211	932,274	2,345,522
Tangible capital asset sales - gain (loss)	-	(498,671)	8,976	(47,008)	-	-	-	(536,703)
Land sales - gain (loss)	(31,118)	-	-	-	-	-	-	(31,118)
Investment income	14,262	-	-	-	-	-	-	14,262
Grants - conditional	8,250	-	-	-	-	5,000	-	13,250
Grants - capital	-	-	26,495	-	-	-	-	26,495
Recovery of expenses	-	-	-	728,574	-	-	-	728,574
Total Revenues	73,658	(421,131)	35,471	1,532,605	38,194	369,211	932,274	2,560,282
Expenses (schedule 3)								
Wages and benefits	479,535	37,068	515,432	37,110	95,632	276,856	99,297	1,540,930
Professional/contractual services	170,349	280,204	159,043	497,393	23,930	142,175	215,573	1,488,667
Utilities	26,990	-	84,741	4,801	-	132,006	81,750	330,288
Maintenance materials and supplies	30,016	40,864	143,644	6,315	48,543	143,537	123,692	536,611
Grants and contributions - operating	10,851	-	-	-	4,150	36,819	-	51,820
Amortization of tangible capital assets	4,845	20,223	436,921	174,958	8,299	207,234	287,031	1,139,511
Interest	-	-	15,313	20,550	-	10,194	2,690	48,747
Allowance for uncollectibles	(32,630)	-	-	-	-	-	517	(32,113)
Other	141	-	-	-	-	-	-	141
Total Expenses	690,097	378,359	1,355,094	741,127	180,554	948,821	810,550	5,104,602
Surplus (Deficit) by Function	$ (616,439)	$ (799,490)	$(1,319,623)	$ 791,478	$ (142,360)	$ (579,610)	$ 121,724	(2,544,320)
Taxation and other unconditional revenue (schedule 1)								3,443,977
Net Surplus								$ 899,657

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Schedule of Segment Disclosure by Function

Schedule 5

For the year ended December 31, 2024

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
Revenues (schedule 2)								
Fees and charges	50,936	121,717	1,755	1,393,138	56,051	215,452	887,159	2,726,208
Land sales - gain (loss)	(42,670)	-	-	-	-	-	-	(42,670)
Investment income	43,113	-	-	-	-	-	-	43,113
Grants - conditional	42,500	-	-	-	-	-	-	42,500
Grants - capital	-	-	24,995	248,013	-	-	-	273,008
Total Revenues	93,879	121,717	26,750	1,641,151	56,051	215,452	887,159	3,042,159
Expenses (schedule 3)								
Wages and benefits	457,816	77,445	603,564	45,706	87,645	281,601	97,026	1,650,803
Professional/contractual services	151,385	288,495	166,006	424,662	16,095	162,484	145,774	1,354,901
Utilities	24,763	7,784	84,928	2,385	-	137,986	88,537	346,383
Maintenance materials and supplies	30,823	73,253	233,024	33,859	57,362	96,638	121,669	646,628
Grants and contributions - operating	-	-	-	25,202	3,750	35,627	-	64,579
Amortization of tangible capital assets	4,845	60,222	440,629	27,541	8,463	202,721	269,271	1,013,692
Accretion of asset retirement obligation	-	-	-	132,327	-	-	-	132,327
Interest	-	-	30,595	-	-	17,287	4,779	52,661
Allowance for uncollectibles	545,982	-	-	-	-	-	1,041	547,023
Other	(2)	-	-	-	-	-	-	(2)
Total Expenses	1,215,612	507,199	1,558,746	691,682	173,315	934,344	728,097	5,808,995
Surplus (Deficit) by Function	$(1,121,733)	$ (385,482)	$(1,531,996)	$ 949,469	$ (117,264)	$ (718,892)	$ 159,062	(2,766,836)
Taxation and other unconditional revenue (schedule 1)								3,019,031
Net Surplus								$ 252,195

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Schedule of Tangible Capital Assets by Object

Schedule 6

For the year ended December 31, 2025

	General Assets					Infrastruct. Assets		General/ Infrastruct.	
	Land	**Land Improve.**	**Buildings**	**Vehicles**	**Machinery & Equipment**	**Linear Assets**	**Public Private Partnerships**	**Assets Under Constr.**	**Total**
Asset Cost									
Opening Asset Cost	72,349	3,805,194	9,389,902	1,410,890	1,979,224	22,996,266	-	47,008	39,700,833
Additions during the year	-	-	43,545	-	566,144	1,121,773	-	-	1,731,462
Disposals and write-down during the year	-	-	-	(582,829)	(472,155)	-	-	(47,008)	(1,101,992)
Closing Asset Costs	72,349	3,805,194	9,433,447	828,061	2,073,213	24,118,039	-	-	40,330,303
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	661,094	4,254,004	545,206	940,056	16,357,660	-	-	22,758,020
Add: Amortization taken	-	173,483	341,389	37,656	73,901	513,083	-	-	1,139,512
Less: Accumulated amortization on disposals	-	-	-	161,890	273,403	-	-	-	435,293
Closing Accumulated Amortization Costs	-	834,577	4,595,393	420,972	740,554	16,870,743	-	-	23,462,239
Net Book Value	$ 72,349	$ 2,970,617	$ 4,838,054	$ 407,089	$ 1,332,659	$ 7,247,296	$ -	$ -	$ 16,868,064

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Schedule of Tangible Capital Assets by Object

For the year ended December 31, 2024

Schedule 6

	General Assets					Infrastruct. Assets		General/ Infrastruct.	
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnerships	Assets Under Constr.	Total
Asset Cost									
Opening Asset Cost	72,349	780,818	9,205,166	1,410,890	1,898,859	22,025,932	-	537,200	35,931,214
Additions during the year	-	2,516,758	184,736	-	80,365	970,334	-	17,426	3,769,619
Transfer (from) assets under construction	-	507,618	-	-	-	-	-	(507,618)	-
Closing Asset Costs	72,349	3,805,194	9,389,902	1,410,890	1,979,224	22,996,266	-	47,008	39,700,833
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	638,830	3,919,146	478,734	845,661	15,861,957	-	-	21,744,328
Add: Amortization taken	-	22,264	334,858	66,472	94,395	495,703	-	-	1,013,692
Closing Accumulated Amortization Costs	-	661,094	4,254,004	545,206	940,056	16,357,660	-	-	22,758,020
Net Book Value	$ 72,349	$ 3,144,100	$ 5,135,898	$ 865,684	$ 1,039,168	$ 6,638,606	$ -	$ 47,008	$ 16,942,813

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Schedule of Tangible Capital Assets by Function

For the year ended December 31, 2025

Schedule 7

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total
Asset Cost								
Opening Asset Cost	618,492	1,239,625	16,835,574	3,402,307	189,673	5,142,231	12,272,931	39,700,833
Additions during the year	-	17,624	1,545,379	16,960	-	124,914	26,585	1,731,462
Disposals and write-down during the year	-	(828,418)	(226,566)	(47,008)	-	-	-	(1,101,992)
Closing Asset Costs	618,492	428,831	18,154,387	3,372,259	189,673	5,267,145	12,299,516	40,330,303
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	525,261	496,051	11,720,505	634,356	70,026	1,852,448	7,459,373	22,758,020
Add: Amortization taken	4,846	20,223	436,921	174,958	8,299	207,234	287,031	1,139,512
Less: Accumulated amortization on disposals	-	329,747	105,546	-	-	-	-	435,293
Closing Accumulated Amortization Costs	530,107	186,527	12,051,880	809,314	78,325	2,059,682	7,746,404	23,462,239
Net Book Value	$ 88,385	$ 242,304	$ 6,102,507	$ 2,562,945	$ 111,348	$ 3,207,463	$ 4,553,112	$ 16,868,064

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Schedule of Tangible Capital Assets by Function

For the year ended December 31, 2024

Schedule 7

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total
Asset Cost								
Opening Asset Cost	618,492	1,223,748	16,320,129	944,179	189,673	5,027,813	11,607,180	35,931,214
Additions during the year	-	15,877	515,445	2,458,128	-	114,418	665,751	3,769,619
Closing Asset Costs	618,492	1,239,625	16,835,574	3,402,307	189,673	5,142,231	12,272,931	39,700,833
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	520,416	435,829	11,279,876	606,815	61,563	1,649,727	7,190,102	21,744,328
Add: Amortization taken	4,845	60,222	440,629	27,541	8,463	202,721	269,271	1,013,692
Closing Accumulated Amortization Costs	525,261	496,051	11,720,505	634,356	70,026	1,852,448	7,459,373	22,758,020
Net Book Value	$ 93,231	$ 743,574	$ 5,115,069	$ 2,767,951	$ 119,647	$ 3,289,783	$ 4,813,558	$ 16,942,813

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Consolidated Schedule of Accumulated Surplus — Schedule 8

For the year ended December 31, 2025

	2024	Changes	2025
Unappropriated Surplus	(3,125,948)	1,128,895	(1,997,053)
Appropriated Surplus			
Machinery and equipment			
Machinery and equipment reserve	337,300	(87,300)	250,000
Capital trust reserve	175,749	25,000	200,749
Utility			
Water and sewer	699,770	100,230	800,000
Other			
Cemetery	187,846	25,000	212,846
Streets	63,000	(63,000)	-
Subdivision	35,000	-	35,000
Snow removal	20,000	-	20,000
Civic Centre ice plant	34,000	5,000	39,000
Curling rink ice plant	51,000	5,000	56,000
Recreation facilities	49,600	419,000	468,600
Sidewalks	52,000	-	52,000
Future debenture instalment	170,000	10,000	180,000
Canora Colours 100	10,000	8,000	18,000
Splash park	10,000	-	10,000
RCMP Community Fund	6,834	(500)	6,334
Rural fire board	-	220,131	220,131
	689,280	628,631	1,317,911
Total Appropriated	1,902,099	666,561	2,568,660
Net Investments in Tangible Capital Assets			
Tangible capital assets (schedule 6 and 7)	16,942,813	(74,749)	16,868,064
Less: Related debt	469,808	821,050	1,290,858
Accumulated Surplus	$ 15,249,156	$ 899,657	$ 16,148,813

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Schedule of Mill Rates and Assessments

For the year ended December 31, 2025

	Property Class						
	Agriculture	**Residential**	**Residential Condominium**	**Seasonal Residential**	**Commercial & Industrial**	**Potash Mine(s)**	**Total**
Taxable Assessment	7,518,280	77,050,880	-	-	10,347,730	-	94,916,890
Regional Park Assessment							-
Total Assessment							94,916,890
Mill Rate Factor(s)	0.6700	0.8700	-	-	2.3000		
Total Base/Minimum Tax (generated for each property class)	25,520	1,283,656	-	-	170,984		1,480,160
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	69,798	1,872,887	-	-	380,184		2,322,869

Mill Rates:	**Mills**
Average Municipal*	24.4727
Average School*	4.2400
Potash Mill Rate	-
Uniform Municipal Mill Rate	8.7900

*Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

The notes to consolidated financial statements are an integral part of these consolidated financial statements.

Town of Canora

Schedule of Council Remuneration Schedule 10

For the year ended December 31, 2025

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Mike Kwas	14,750	660	15,410
Councillor	Gina Rakochy	10,050	660	10,710
Councillor	Brad Gabora	11,200	660	11,860
Councillor	Todd Bobyk	9,750	660	10,410
Councillor	David Wasyliw	9,750	660	10,410
Councillor	Denise Leslie	9,900	660	10,560
Councillor	Kerry Trask	8,750	660	9,410
		$ 74,150	$ 4,620	$ 78,770

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