

VILLAGE OF KINCAID
Consolidated Financial Statements
December 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors
Village of Kincaid

Qualified Opinion

We have audited the consolidated financial statements of the **VILLAGE OF KINCAID**, which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statements of operations, changes in net financial assets and cash flows 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 financial position of the municipality as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Municipalities are required in Section 3260 of the CPA Canada Public Sector Accounting Handbook to account for a liability for the proper removal and disposal of property that has been contaminated by fuel tanks. No such liability has been estimated and accounted for in the financial statements, and the unrecorded liability may be material in amount.

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 financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Restructuring into RM of Pinto Creek

We Draw attention to Schedule 13 of the financial statements, which explains the total carrying amount that will be transferred to RM of Pinto Creek. Our opinion is not modified in respect of this matter.

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 intends to dissolve the municipality or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditors' Report (continued)

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 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 over-ride 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.

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.

Regina, Saskatchewan

Dudley & Company LLP
Chartered Professional Accountants

VILLAGE OF KINCAID
Statement of Consolidated Financial Position
As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash & Cash Equivalents (Note 2)	\$ 325,856	\$ 358,329
Investments	-	-
Taxes Receivable - Municipal (Note 3)	30,476	48,938
Other Accounts Receivable (Note 4)	37,609	38,898
Assets Held for Sale	-	-
Long-Term Receivable	-	-
Other Long-Term Investments (Note 5)	4,052	2,977
Debt Charges Recoverable	-	-
Derivative Assets	-	-
Total Financial Assets	397,993	449,142
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable (Note 7)	9,496	8,310
Accrued Liabilities Payable	-	-
Derivative Liabilities	-	-
Deposits	-	-
Deferred Revenue	-	-
Asset Retirement Obligation (Note 8)	36,347	63,738
Liability for Contaminated Sites	-	-
Infrastructure Liability	-	-
Long-Term Debt (Note 9)	-	-
Lease Obligations	-	-
Total Liabilities	45,843	72,048
NET FINANCIAL ASSETS	352,150	377,094
Non-Financial Assets		
Tangible Capital Assets (Schedules 6, 7)	305,499	306,991
Intangible Capital Assets (Schedules 8, 9)	-	-
Prepayment and Deferred Charges	5,949	6,762
Stock and Supplies	1,886	1,656
Other (Note 10)	-	-
Total Non-Financial Assets	313,334	315,409
Accumulated Surplus (Deficit) (Schedule 10)	\$ 665,484	\$ 692,503
Accumulated surplus (deficit) is comprised of:		
Accumulated surplus (deficit) excluding remeasurement gains (losses)	\$ 665,484	\$ 692,503
Accumulated remeasurement gains (losses) (Statement 5)	\$ -	\$ -

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

VILLAGE OF KINCAID
Statement of Consolidated Operations
For the year ended December 31, 2025

Statement 2

		2025 Budget	2025	2024
Revenues				
Tax Revenue	(Schedule 1)	\$ 148,467	\$ 147,134	\$ 145,205
Other Unconditional Revenue	(Schedule 1)	52,134	54,396	52,134
Fees and Charges	(Schedule 4, 5)	141,787	144,177	126,870
Conditional Grants	(Schedule 4, 5)	9,366	17,011	12,998
Tangible Capital Assets - Gain (Loss)	(Schedule 4, 5)	-	-	-
Intangible Capital Assets - Gain (Loss)	(Schedule 4, 5)	-	-	-
Land Sales - Gain	(Schedule 4, 5)	-	1,250	-
Investment Income and Commissions	(Schedule 4, 5)	17,741	11,029	18,908
Other Revenues	(Schedule 4, 5)	739	250	10,848
Restructurings	(Schedule 4, 5)	-	-	-
Provincial/Federal Capital Grants	(Schedule 4, 5)	7,223	7,476	7,223
Total Revenues		377,457	382,723	374,186
Expenses				
General Government Services	(Schedule 3)	120,670	158,477	68,540
Protective Services	(Schedule 3)	9,767	11,078	10,400
Transportation Services	(Schedule 3)	75,428	78,504	90,566
Environmental and Public Health Services	(Schedule 3)	91,701	41,677	41,936
Planning and Development Services	(Schedule 3)	3,200	9,207	2,633
Recreation and Cultural Services	(Schedule 3)	8,109	10,367	9,153
Utility Services	(Schedule 3)	72,940	100,432	61,753
Total Expenses		381,815	409,742	284,981
Surplus (Deficit) of Revenues over Expenses		(4,358)	(27,019)	89,205
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), Beginning of Year		692,503	692,503	603,298
Accumulated Surplus (Deficit) excluding remeasurement gains (losses), End of Year		\$ 688,145	\$ 665,484	\$ 692,503

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

VILLAGE OF KINCAID
Statement of Changes in Consolidated Net Financial Assets
For the year ended December 31, 2025

Statement 3

	2025 Budget	2025	2024
Annual Surplus (Deficit)	\$ (4,358)	\$ (27,019)	\$ 89,205
(Acquisition) of tangible capital assets	-	(22,021)	(9,591)
(Acquisition) of intangible capital assets	-	-	-
Amortization of tangible capital assets	-	23,513	23,513
Amortization of intangible capital assets	-	-	-
Proceeds of disposal of tangible capital assets	-	-	-
Proceeds of disposal of intangible capital assets	-	-	-
Loss (Gain) on disposal of tangible capital assets	-	-	-
Loss (Gain) on disposal of intangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	1,492	13,922
(Acquisition) of supplies inventories	-	(230)	(1,656)
(Acquisition) of prepaid expense	-	-	-
(Increase) to other non-financial assets	-	-	-
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	813	215
Decrease to other non-financial assets	-	-	-
Surplus (Deficit) of other non-financial expenses over expenditures	-	583	(1,441)
Unrealized remeasurement gains (losses)	-	-	-
Increase/Decrease in Net Financial Assets	(4,358)	(24,944)	101,686
Net Financial Assets - Beginning of Year	377,094	377,094	275,408
Net Financial Assets - End of Year	\$ 372,736	\$ 352,150	\$ 377,094

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

VILLAGE OF KINCAID
Statement of Consolidated Cash Flows
For the year ended December 31, 2025

Statement 4

	2025	2024
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ (27,019)	\$ 89,205
Amortization	23,513	23,513
Loss (Gain) on disposal of tangible capital assets	-	-
Loss (Gain) on disposal of intangible capital assets	-	-
	(3,506)	112,718
Changes in assets / liabilities		
Taxes Receivable - Municipal	18,462	(36,014)
Other Receivables	1,289	(16,225)
Assets Held for Sale	-	-
Accounts and Accrued Liabilities Payable	1,186	6,300
Derivative Liabilities	-	-
Deposits	-	-
Deferred Revenue	-	-
Other Liabilities	-	-
Asset Retirement Obligation	(27,391)	3,035
Liability for Contaminated Sites	-	-
Long-Term Receivable	-	-
Stock and Supplies for Use	(230)	(1,656)
Prepayments and Deferred Charges	813	215
Other Non-Financial Assets	-	-
Net cash from (used for) operations	(9,377)	68,373
Capital:		
Cash Used to Acquire Tangible Capital Assets	(22,021)	(9,591)
Proceeds on Sale of Tangible Capital Assets	-	-
Net cash from (used for) capital	(22,021)	(9,591)
Investing:		
Proceeds on Disposal (Acquisition) of Investments	(1,075)	(1,726)
Other Investments	-	-
Net cash from (used for) investing	(1,075)	(1,726)
Financing:		
Debt Charges Recovered	-	-
Long-Term Debt Issued	-	-
Long-Term Debt Repaid	-	-
Other Financing	-	-
Net cash from (used for) financing	-	-
Increase (Decrease) in cash resources	(32,473)	57,056
Cash and Cash Equivalents - Beginning of Year	358,329	301,273
Cash and Cash Equivalents - End of Year	\$ 325,856	\$ 358,329

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

VILLAGE OF KINCAID
Statement of Consolidated Remeasurement Gains and Losses
As at December 31, 2025

Statement 5

	2025	2024
Accumulated remeasurement gains (losses) at the beginning of the year:	\$ -	\$ -
Unrealized gains (losses) attributable to (Note 3):		
Derivatives	-	-
Equity investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Amounts reclassified to the Statement of Operations (Note 3):		
Derivatives	-	-
Equity investments measured at fair value	-	-
Reversal of net remeasurements of portfolio investments	-	-
Foreign exchange	-	-
	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains (losses) at end of year	\$ -	\$ -

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

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

1. SUMMARY OF 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:

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.

(a) Reporting Entity:

The consolidated financial statements report 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.

A partnership represents a contractual arrangement between the municipality and a party 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 operation of the partnership.

(b) Collection of Funds for Other Authorities:

Collection of funds by the municipality for the school board are collected and remitted in accordance with relevant legislation.

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(c) 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 the result of a direct financial return. Government transfers are recognized as either expenses or revenues in the period that the events giving rise to the transfer occur, providing:

- a) the transfer is authorized;
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

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

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

(d) 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.

(e) Revenue:

Revenues from transactions with no performance obligations (such as fines and penalties, for example) are recognized when the municipality has the authority to claim or retain an inflow of economic resources and has identified a past transaction or event that gives rise to an asset. For each transaction with no performance obligation, the municipality recognizes revenue at its realizable value. These revenue streams are typically non-recurring in nature.

Revenues from transactions with performance obligations (such as fees for the provision of services and the sale of goods) which are enforceable promises to provide specific goods or services to the specific payor in return for promised consideration, are recognized when (or as) the municipality satisfies a performance obligation and control of the benefits associated with the goods and services have been passed to the payor. For each performance obligation, the municipality determines whether the performance obligation is satisfied over a period of time (such as the provision of often recurring items like utility or similar services, certain rentals, etc) or at a point in time (such as a non-recurring sale of supplies, custom work orders, etc). The municipality then also considers the effects of multiple performance obligations, variable consideration, the existence of significant concessionary terms and non-cash considerations when determining the consideration to be received.

(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.

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(g) 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.

(h) Non-Financial Assets:

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

(i) 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 10.

(j) 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. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions from other taxing authorities operate as a flow through and are excluded from municipal revenue.

(k) Investments:

Portfolio investments are valued in accordance with the policy noted on financial instruments, less any provision for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(l) Financial Instruments:

Derivative and equity 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 methods. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

The municipality has elected to measure other specific instruments at fair value, to correspond with how they are evaluated and managed. As follows:

Interest and dividends attributable to financial instruments are reported in the statement of operations. Unrealized gains and losses 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.

When investment income and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as liabilities until the external restrictions are satisfied.

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:

<u>Financial Statement Line Item</u>	<u>Measurement</u>
Cash and cash equivalents	Cost
Investments	Cost
Other accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Cost

(m) Inventories:

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 and net realizable value. Cost is determined by the actual cost. Net realizable value is the estimated selling price in the ordinary course of business.

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(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; these, and the tangible capital assets that are recognized at a nominal value, are disclosed on Schedule 6. The cost of tangible capital assets less any estimated residual value are amortized over the asset's estimated useful life using the straight-line method of amortization. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Assets</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and Equipment	
Vehicles	5 to 10 years
Machinery and Equipment	5 to 10 years
Infrastructure Assets	
Infrastructure Assets	
Water and Sewer	40 Years
Road Network Assets	40 Years

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.

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.

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

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital lease are amortized on a straight line basis, over their estimated useful lives (or over their lease term if the asset ownership isn't passing, or likely to pass, to the municipality at the end of its term). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(o) 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 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 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. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. 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.

(p) Employee Benefit Plans:

Contributions to the municipality's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multiemployer plans, the municipality's obligations are limited to their contributions.

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(q) Measurement Uncertainty:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period.

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 stock and supplies inventories are based on estimates of volume and quality.

The "Opening Assets Costs" of tangible capital assets have been estimated where actual costs were not available.

The liability associated with asset retirement obligations are 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.

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

Measurement financial instruments at the 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.

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

(r) 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: The General Government segment provides for the administration of the municipality.

Protective Services: The Protective Services segment is comprised of items for Police and Fire protection.

Transportation Services: The Transportation Services segment is 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 items relating to public health services in the municipality.

Planning and Development: The Planning and Development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The Recreation and Culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The Utility Services segment provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

(s) Budget Information:

Budget information is presented on a basis consistent with that used for actual results except that amortization was not budgeted for. The budget was approved by Council on April 8, 2025.

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

2. Cash and Cash Equivalents	2025	2024
Cash	\$ 325,856	\$ 358,329
Total Cash and Cash Equivalents	\$ 325,856	\$ 358,329

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

3. Taxes Receivable	2025	2024
Municipal - Current	\$ 28,085	\$ 26,401
- Arrears	11,218	62,719
	39,303	89,120
- Less Allowance for Uncollectables	(8,827)	(40,182)
Total Municipal Taxes Receivable	30,476	48,938
School - Current	2,983	3,112
- Arrears	817	2,841
Total School Taxes Receivable	3,800	5,953
Other	-	-
Total Taxes Receivable	34,276	54,891
Deduct taxes to be collected on behalf of other organizations	(3,800)	(5,953)
Total Taxes Receivable - Municipal	\$ 30,476	\$ 48,938

4. Other Accounts Receivable	2025	2024
Trade receivables	\$ 1,022	\$ 414
Provincial government	2,719	9,330
GST receivable	8,269	6,129
Utility accounts receivable	26,045	23,871
Total Other Accounts Receivable	38,055	39,744
Less Allowance for Uncollectables	(446)	(846)
Net Other Accounts Receivable	\$ 37,609	\$ 38,898

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

5. Other Long-Term Investments	2025	2024
Credit Union Membership Equity	\$ 2,191	\$ 1,175
Co-op Equity	1,861	1,802
Total Other Long-Term Investments	\$ 4,052	\$ 2,977

6. Credit Arrangements

At December 31, 2025, the municipality had lines of credit totaling \$25,000, none of which were drawn. The following has been collateralized in connection with this line of credit:

- General security agreement,

7. Accounts Payable	2025	2024
Trade payables	\$ 8,681	\$ 7,539
School Taxes Payable	815	771
Total Accounts Payable	\$ 9,496	\$ 8,310

8. Asset Retirement Obligation	2025	2024
Balance, beginning of the year	\$ 63,738	\$ 60,703
Liabilities settled	(27,647)	-
Accretion expense	256	3,035
Estimated Total Liability	\$ 36,347	\$ 63,738

Landfill

Landfill closure and post-closure care requirements have been defined in accordance with The Environmental Management and Protection Act and include final covering 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 15 years 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. The current year liability for landfill closure is \$30,965 (Prior year - \$58,612)

The liability for the landfill will be paid for with a combination of reserves, accumulated surplus, conditional grants, and debt issuance, as applicable and available at the time.

Asbestos

The municipality owns an office which contains asbestos, and therefore, the municipality is legally required to perform abatement activities upon renovation or demolition of this asset. Abatement activities include handling and disposing of the asbestos in a prescribed manner when it is disturbed. Undiscounted future cash flows expected are an abatement cost in 2045 of \$13,602. The estimated total liability of \$5,383 (Prior year 2024- \$5,126) is based on the sum of discounted future cash flows for abatement activities using a discount rate of 5% and assuming annual

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

inflation of 5%. The municipality has not designated funds for settling the abatement activities.

9. Long-Term Debt

The debt limit of the municipality is \$265,971. 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)).

10. Other Non-Financial Assets

	2025	2024
Municipal share of tax title property, net of full allowance of \$287,824	\$ -	\$ -
Total Other Non-Financial Assets	\$ -	\$ -

11. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer 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. Employees and employers each make plan contributions of 9% of salary (subject to an annually adjusted maximum pensionable earnings amount). The municipality's pension expense in 2025 was \$4,812 (2024 - \$4,527). 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.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

The most recent available information reports, in total, plan assets of \$4,090,806,000, plan liabilities, including pension obligations, of \$2,571,158,000, and a resulting surplus of \$1,519,648,000.

VILLAGE OF KINCAID
Notes to the Consolidated Financial Statements
For the year ended December 31, 2025

12. 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 doing so, cause a loss for the other party. The municipality is exposed to credit risk on the accounts receivable. The municipality does not have significant exposure to any individual creditor.

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. The municipality does not feel that it has any financial instruments subject to liquidity risk.

Market Risk

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

Interest Rate Risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The municipality is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity.

Currency Risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in currency fluctuations. The municipality does not feel that it has any financial instruments subject to currency risk as the majority of its transactions are in Canadian currency.

Other Price Risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in fair value of equity instruments. The municipality does not have any financial instruments that are affected by other price risk.

VILLAGE OF KINCAID
Schedule of Consolidated Taxes and Other Unconditional Revenue
For the year ended December 31, 2025

Schedule 1

	2025 Budget	2025	2024
TAXES			
General municipal tax levy	\$ 136,881	\$ 130,602	\$ 133,619
Abatements and adjustments	(1,800)	-	(1,800)
Discount on current year taxes	(3,286)	(3,436)	(3,286)
Net Municipal Taxes	131,795	127,166	128,533
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	16,672	19,968	16,672
Special tax levy	-	-	-
Other -	-	-	-
Total Taxes	148,467	147,134	145,205
UNCONDITIONAL GRANTS			
Revenue Sharing	35,232	37,399	35,232
Organized Hamlet	-	-	-
Other -	-	-	-
Total Unconditional Grants	35,232	37,399	35,232
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial	-	-	-
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	-	-	-
Central Services	-	-	-
SaskTel	1,375	1,447	1,375
Other -	-	-	-
Local/Other	-	-	-
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other -	-	-	-
Other Government Transfers	-	-	-
S.P.C. Surcharge	11,345	11,257	11,345
SaskEnergy Surcharge	4,182	4,293	4,182
Other -	-	-	-
Total Grants in Lieu of Taxes	16,902	16,997	16,902
TOTAL OTHER UNCONDITIONAL REVENUE	52,134	54,396	52,134
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 200,601	\$ 201,530	\$ 197,339

VILLAGE OF KINCAID
Schedule of Consolidated Operating and Capital Revenue by Function
For the year ended December 31, 2025

Schedule 2-1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ -	\$ -	\$ -
- Sales of supplies	-	-	-
- Other - Licenses & Fees	1,730	1,226	2,050
Total Fees and Charges	1,730	1,226	2,050
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	1,250	-
- Investment income and commissions	17,741	11,029	18,908
- Other - Reimbursement & School tax adjustment	-	-	698
- Other - Allowance Recovery	-	-	-
Total Other Segmented Revenue	19,471	13,505	21,656
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	19,471	13,505	21,656
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total General Government Services	\$ 19,471	\$ 13,505	\$ 21,656

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Policing fees	\$ -	\$ 150	\$ -
Total Fees and Charges	-	150	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other - Fines	639	-	-
Total Other Segmented Revenue	639	150	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	639	150	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Protective Services	\$ 639	\$ 150	\$ -

VILLAGE OF KINCAID
Schedule of Consolidated Operating and Capital Revenue by Function
For the year ended December 31, 2025

Schedule 2-2

	2025 Budget	2025	2024
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 30	\$ 120	\$ 280
- Sales of supplies	50	100	52
- Road maintenance, restoration agreements	-	-	-
- Frontage	-	-	-
- Other -	-	-	-
Total Fees and Charges	80	220	332
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	80	220	332
Conditional Grants			
- RIRG (CTP)	-	-	-
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	80	220	332
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- RIRG (CTP, Bridge/ Large Culvert, Rd Const)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Transportation Services	\$ 80	\$ 220	\$ 332

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ 10,589	\$ 10,542	\$ 10,589
- Other - Recycling Fees	17,336	19,263	17,336
Total Fees and Charges	27,925	29,805	27,925
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other - Cemetery Donations	100	250	10,150
Total Other Segmented Revenue	28,025	30,055	38,075
Conditional Grants			
- Recycling	3,400	3,451	3,400
- Pest Control	-	-	-
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	3,400	3,451	3,400
Total Operating	31,425	33,506	41,475
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP Grant	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Environmental and Public Health Services	\$ 31,425	\$ 33,506	\$ 41,475

VILLAGE OF KINCAID
Schedule of Consolidated Operating and Capital Revenue by Function
For the year ended December 31, 2025

Schedule 2-3

	2025 Budget	2025	2024
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and development charges	\$ -	\$ -	\$ -
- Other -	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Planning and Development Services	\$ -	\$ -	\$ -
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Memberships & Rental	\$ 5,248	\$ 6,408	\$ 5,248
Total Fees and Charges	5,248	6,408	5,248
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other - Donations	-	-	-
Total Other Segmented Revenue	5,248	6,408	5,248
Conditional Grants			
- Sask Lotteries	2,566	2,316	2,566
- Local Government	-	-	-
- Donations	-	-	-
- MEEP	-	-	-
- Other - Donations	-	1,794	-
Total Conditional Grants	2,566	4,110	2,566
Total Operating	7,814	10,518	7,814
Capital			
Conditional Grants			
- Canada Community Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Restructuring Revenues/Expenses	-	-	-
Total Recreation and Cultural Services	\$ 7,814	\$ 10,518	\$ 7,814

VILLAGE OF KINCAID
Schedule of Consolidated Operating and Capital Revenue by Function
For the year ended December 31, 2025

Schedule 2-4

	2025 Budget	2025	2024
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 55,393	\$ 57,471	\$ 55,397
- Sewer	18,131	18,102	19,278
- Other - Infrastructure fees	33,280	30,795	16,640
Total Fees and Charges	106,804	106,368	91,315
- Tangible capital asset sales - gain (loss)	-	-	-
- Intangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	106,804	106,368	91,315
Conditional Grants			
- Student Employment	-	-	-
- ICIP	3,400	9,450	7,032
- Other -	-	-	-
Total Conditional Grants	3,400	9,450	7,032
Total Operating	110,204	115,818	98,347
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	7,223	7,476	7,223
- ICIP	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other -	-	-	-
Total Capital	7,223	7,476	7,223
Restructuring Revenues/Expenses	-	-	-
Total Utility Services	\$ 117,427	\$ 123,294	\$ 105,570

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 176,856	\$ 181,193	\$ 176,847
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SUMMARY

Total Other Segmented Revenue	\$ 160,267	\$ 156,706	\$ 156,626
Total Conditional Grants	9,366	17,011	12,998
Total Capital Grants and Contributions	7,223	7,476	7,223
Restructuring Revenue	-	-	-

TOTAL REVENUE BY FUNCTION	\$ 176,856	\$ 181,193	\$ 176,847
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VILLAGE OF KINCAID
Schedule of Consolidated Total Expenses by Function
For the year ended December 31, 2025

Schedule 3-1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 5,626	\$ 7,020	\$ 4,590
Wages and benefits	70,206	74,967	61,812
Professional/Contractual services	20,504	19,628	16,379
Utilities	5,550	4,890	5,112
Maintenance, materials, and supplies	6,500	5,920	5,619
Grants and contributions - operating	200	-	-
- capital	-	-	-
Amortization of tangible capital assets	-	462	462
Amortization of intangible capital assets	-	-	-
Interest	50	192	170
Accretion of asset retirement obligations	-	91	87
Allowance for uncollectables	11,034	44,463	(26,684)
Other - Gifts	1,000	844	993
Total General Government Services	\$ 120,670	\$ 158,477	\$ 68,540

PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	7,099	7,269	7,099
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	289
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-
Fire Protection			
Wages and benefits	-	-	-
Professional/Contractual services	1,216	1,823	1,026
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	1,452	1,452	1,452
- capital	-	-	-
Amortization of tangible capital assets	-	534	534
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-
Total Protective Services	\$ 9,767	\$ 11,078	\$ 10,400

TRANSPORTATION SERVICES			
Wages and benefits	\$ 44,768	\$ 43,790	\$ 45,413
Council remuneration and travel	-	-	-
Professional/Contractual services	8,700	6,060	7,269
Utilities	9,660	9,443	9,458
Maintenance, materials, and supplies	12,300	13,031	22,246
Gravel	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization of tangible capital assets	-	6,180	6,180
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other -	-	-	-
Total Transportation Services	\$ 75,428	\$ 78,504	\$ 90,566

VILLAGE OF KINCAID
Schedule of Consolidated Total Expenses by Function
For the year ended December 31, 2025

Schedule 3-2

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ 3,827	\$ 3,829	\$ 4,185
Professional/Contractual services	78,124	26,495	23,895
Utilities	-	-	-
Maintenance, materials, and supplies	150	288	-
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public health	9,600	5,889	5,889
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization of tangible capital assets	-	5,176	5,176
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	2,791
Other -	-	-	-
Total Environmental and Public Health Services	\$ 91,701	\$ 41,677	\$ 41,936
PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	3,000	3,114	2,633
Grants and contributions - operating	-	4,358	-
- capital	-	-	-
Amortization of tangible capital assets	-	-	-
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other - Building Maintenance	200	1,735	-
Total Planning and Development Services	\$ 3,200	\$ 9,207	\$ 2,633
RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	3,809	4,924	3,575
Utilities	4,100	3,807	3,763
Maintenance, materials, and supplies	200	-	187
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization of tangible capital assets	-	1,471	1,471
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	165	157
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Recreation and Cultural Services	\$ 8,109	\$ 10,367	\$ 9,153

VILLAGE OF KINCAID
Schedule of Consolidated Total Expenses by Function
For the year ended December 31, 2025

Schedule 3-3

	2025 Budget	2025	2024
UTILITY SERVICES			
Wages and benefits	\$ 16,795	\$ 16,847	\$ 16,847
Professional/Contractual services	31,635	54,601	17,922
Utilities	11,200	11,092	11,082
Maintenance, materials, and supplies	12,100	8,202	6,212
Grants and contributions - operating	-	-	-
- capital	1,210	-	-
Amortization of tangible capital assets	-	9,690	9,690
Amortization of intangible capital assets	-	-	-
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Utility Services	\$ 72,940	\$ 100,432	\$ 61,753
TOTAL EXPENSES BY FUNCTION	\$ 381,815	\$ 409,742	\$ 284,981

VILLAGE OF KINCAID
Schedule of Consolidated Segment Disclosure by Function
For the year ended December 31, 2025

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 1,226	\$ 150	\$ 220	\$ 29,805	\$ -	\$ 6,408	\$ 106,368	\$ 144,177
Land Sales - Gain	1,250	-	-	-	-	-	-	1,250
Investment Income and Commissions	11,029	-	-	-	-	-	-	11,029
Other Revenues	-	-	-	250	-	-	-	250
Grants - Conditional	-	-	-	3,451	-	4,110	9,450	17,011
- Capital	-	-	-	-	-	-	7,476	7,476
Total Revenues	13,505	150	220	33,506	-	10,518	123,294	181,193
Expenses (Schedule 3)								
Wages and Benefits	81,987	-	43,790	3,829	-	-	16,847	146,453
Professional / Contractual Services	19,628	9,092	6,060	26,495	3,114	4,924	54,601	123,914
Utilities	4,890	-	9,443	-	-	3,807	11,092	29,232
Maintenance, Materials, and Supplies	5,920	-	13,031	288	-	-	8,202	27,441
Grants and Contributions	-	1,452	-	5,889	4,358	-	-	11,699
Amortization of Tangible Capital Assets	462	534	6,180	5,176	-	1,471	9,690	23,513
Interest	192	-	-	-	-	-	-	192
Accretion of asset retirement obligations	91	-	-	-	-	165	-	256
Allowance for Uncollectables	44,463	-	-	-	-	-	-	44,463
Other	844	-	-	-	1,735	-	-	2,579
Total Expenses	158,477	11,078	78,504	41,677	9,207	10,367	100,432	409,742
Surplus (Deficit) by Function	\$ (144,972)	\$ (10,928)	\$ (78,284)	\$ (8,171)	\$ (9,207)	\$ 151	\$ 22,862	\$ (228,549)

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 201,530

Net Surplus (Deficit)

\$ (27,019)

VILLAGE OF KINCAID
Schedule of Consolidated Segment Disclosure by Function
For the year ended December 31, 2024

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 2,050	\$ -	\$ 332	\$ 27,925	\$ -	\$ 5,248	\$ 91,315	\$ 126,870
Investment Income and Commissions	18,908	-	-	-	-	-	-	18,908
Other Revenues	698	-	-	10,150	-	-	-	10,848
Grants - Conditional	-	-	-	3,400	-	2,566	7,032	12,998
- Capital	-	-	-	-	-	-	7,223	7,223
Total Revenues	21,656	-	332	41,475	-	7,814	105,570	176,847
Expenses (Schedule 3)								
Wages and Benefits	66,402	-	45,413	4,185	-	-	16,847	132,847
Professional / Contractual Services	16,379	8,125	7,269	23,895	2,633	3,575	17,922	79,798
Utilities	5,112	-	9,458	-	-	3,763	11,082	29,415
Maintenance, Materials, and Supplies	5,619	289	22,246	-	-	187	6,212	34,553
Grants and Contributions	-	1,452	-	5,889	-	-	-	7,341
Amortization of Tangible Capital Assets	462	534	6,180	5,176	-	1,471	9,690	23,513
Interest	170	-	-	-	-	-	-	170
Allowance for Uncollectables	(26,684)	-	-	-	-	-	-	(26,684)
Other	993	-	-	-	-	-	-	993
Accretion of asset retirement obligation	87	-	-	2,791	-	157	-	3,035
Total Expenses	68,540	10,400	90,566	44,727	2,633	9,310	61,753	284,981
Surplus (Deficit) by Function	\$ (46,884)	\$ (10,400)	\$ (90,234)	\$ (3,252)	\$ (2,633)	\$ (1,496)	\$ 43,817	\$ (108,134)

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 197,339

Net Surplus (Deficit)

\$ 89,205

VILLAGE OF KINCAID
Schedule of Consolidated Tangible Capital Assets by Object
For the year ended December 31, 2025

Schedule 6

	2025	2024
--	------	------

	General Assets					Infrastructure Assets		General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Public Private Partnership			
Asset Cost										
Opening Asset Costs	\$ -	\$ 45,003	\$ 306,568	\$ 30,657	\$ 162,905	\$ 713,122	\$ -	\$ 18,411	\$ 1,276,666	\$ 1,267,075
Additions during the year	-	-	-	-	9,135	-	-	12,886	22,021	9,591
Disposals and write downs during the year	-	-	-	-	-	-	-	-	-	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ -	\$ 45,003	\$ 306,568	\$ 30,657	\$ 172,040	\$ 713,122	\$ -	\$ 31,297	\$ 1,298,687	\$ 1,276,666
Accumulated Amortization										
Opening Accum. Amort. Cost	\$ -	\$ 38,123	\$ 121,670	\$ 22,557	\$ 137,277	\$ 650,048	\$ -	\$ -	\$ 969,675	\$ 946,162
Add: Amortization taken	-	3,878	6,001	2,700	5,453	5,481	-	-	23,513	23,513
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Amort.	\$ -	\$ 42,001	\$ 127,671	\$ 25,257	\$ 142,730	\$ 655,529	\$ -	\$ -	\$ 993,188	\$ 969,675
Net Book Value	\$ -	\$ 3,002	\$ 178,897	\$ 5,400	\$ 29,310	\$ 57,593	\$ -	\$ 31,297	\$ 305,499	\$ 306,991

- Total contributed/donated assets received in 2025: \$ -
- List of assets recognized at nominal value in 2025 are:
 - Infrastructure assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
- Amount of interest capitalized in 2025: \$ -

VILLAGE OF KINCAID
Schedule of Consolidated Tangible Capital Assets by Function
For the year ended December 31, 2025

Schedule 7

	2025						2024	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
Asset Cost								
Opening Asset Costs	\$ 28,355	\$ 32,392	\$ 230,986	\$ 58,041	\$ -	\$ 64,987	\$ 861,905	\$ 1,276,666
Additions during the year	-	-	-	-	-	-	22,021	22,021
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ 28,355	\$ 32,392	\$ 230,986	\$ 58,041	\$ -	\$ 64,987	\$ 883,926	\$ 1,298,687
Accumulated Amortization								
Opening Accum. Amort. Costs	\$ 10,383	\$ 13,490	\$ 184,070	\$ 43,338	\$ -	\$ 16,852	\$ 701,542	\$ 946,162
Add: Amortization taken	462	534	6,180	5,176	-	1,471	9,690	23,513
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-
Closing Accumulated Amortization	\$ 10,845	\$ 14,024	\$ 190,250	\$ 48,514	\$ -	\$ 18,323	\$ 711,232	\$ 969,675
Net Book Value	\$ 17,510	\$ 18,368	\$ 40,736	\$ 9,527	\$ -	\$ 46,664	\$ 172,694	\$ 305,499
								\$ 306,991

VILLAGE OF KINCAID
Schedule of Consolidated Intangible Capital Assets by Object
For the year ended December 31, 2025

Schedule 8

		2025					2024	
		General Intangible Assets						
Asset Cost		Patents	Trademarks	Copyrights	Customer Relationships	Goodwill	Other	Total
Opening Asset Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions during the year		-	-	-	-	-	-	-
Disposals and write downs during the year		-	-	-	-	-	-	-
Transfers (from) assets under development		-	-	-	-	-	-	-
Closing Asset Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization								
Opening Accum. Amort. Cost		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add: Amortization taken		-	-	-	-	-	-	-
Less: Accum. Amort. on Disposals		-	-	-	-	-	-	-
Closing Accumulated Amort.		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Book Value		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

VILLAGE OF KINCAID
Schedule of Consolidated Intangible Capital Assets by Function
For the year ended December 31, 2025

Schedule 9

	2025							2024	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals and write-downs during the year	-	-	-	-	-	-	-	-	-
Closing Asset Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Amortization									
Opening Accum. Amort. Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add: Amortization taken	-	-	-	-	-	-	-	-	-
Less: Accum. Amort. on Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

VILLAGE OF KINCAID
Schedule of Consolidated Accumulated Surplus
For the year ended December 31, 2025

Schedule 10

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	\$ 385,512	\$ (25,527)	\$ 359,985
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6, 7)	306,991	(1,492)	305,499
Intangible Capital Assets (Schedule 8, 9)	-	-	-
Net Investment in Tangible Capital Assets	306,991	(1,492)	305,499
OTHER	-	-	-
Total Accumulated Surplus	\$ 692,503	\$ (27,019)	\$ 665,484

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VILLAGE OF KINCAID
Schedule of Consolidated Mill Rates and Assessments
For the year ended December 31, 2025

Schedule 11

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 138,765	\$ 3,045,200	\$ -	\$ -	\$ 222,785	\$ -	\$ 3,406,750
Regional Park Assessment							-
Total Assessment							3,406,750
Mill Rate Factor(s)	1,000	1,000	-	-	2,000		
Total Base Tax	2,700	95,775	-	-	10,350		108,825
Total Municipal Tax Levy	\$ 3,533	\$ 114,046	\$ -	\$ -	\$ 13,023		\$ 130,602

MILL RATES:		MILLS
Average Municipal*		38.336
Average School*		4.277
Potash Mill Rate		-
Uniform Municipal Mill Rate		6.000

* 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).

VILLAGE OF KINCAID
Schedule of Consolidated Council Remuneration
For the year ended December 31, 2025

Schedule 12

Name	Remuneration	Reimbursed Costs	Total
Lance Empey	\$ 1,120	\$ -	\$ 1,120
Spencer Gross	960	-	960
Kayla Marshall	2,160	-	2,160
Bernie Miller	1,200	-	1,200
Kyler Sayers	1,580	-	1,580
Total	\$ 7,020	\$ -	\$ 7,020

Schedule of Consolidated Restructuring
For the year ended December 31, 2025

Schedule 13

Carrying Amount of Assets and Liabilities Transferred/ Received:	-
Cash and Temporary Investments	325,856
Accounts Receivable	68,085
Long-Term Investments	4,052
Bank Indebtedness	-
Accounts Payable	(9,496)
Asset Retirement Obligation	(36,347)
Tangible Capital Assets	305,499
Prepaid expenses	5,949
Stock and supplies	1,886
Total Net Carrying Amount Received (Transferred)	665,484

VILLAGE OF KINCAID
Statement of Consolidated Financial Position
As at December 31, 2025

Statement 1

	2025	2024
ASSETS		
Financial Assets		
Cash and Cash Equivalents	\$ 325,856	\$ 358,329
Investments	-	-
Taxes Receivable - Municipal	30,476	48,938
Other Accounts Receivable	37,609	38,898
Assets Held for Sale	-	-
Long-Term Receivable	-	-
Other Long-Term Investments	4,052	2,977
Debt Charges Recoverable	-	-
Derivative Assets	-	-
Total Financial Assets	397,993	449,142
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable	9,496	8,310
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue	-	-
Asset Retirement Obligations	36,347	63,738
Infrastructure Liability	-	-
Other Liabilities	-	-
Long-Term Debt	-	-
Lease Obligations	-	-
Total Liabilities	45,843	72,048
NET FINANCIAL ASSETS	352,150	377,094
Tangible Capital Assets	305,499	306,991
Intangible Capital Assets	-	-
Prepayment and Deferred Charges	5,949	6,762
Stock and Supplies	1,886	1,656
Other	-	-
Total Non-Financial Assets	313,334	315,409
Accumulated Surplus (Deficit)	\$ 665,484	\$ 692,503

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

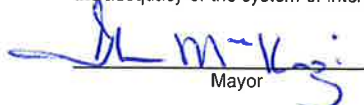
To the Residents of the
VILLAGE OF KINCAID

Management of the **VILLAGE OF KINCAID** has the responsibility for preparing the accompanying consolidated financial statements and ensuring that all information in the related reports is consistent with the statements. This responsibility includes selecting appropriate accounting policies and making objective judgments and estimates in accordance with Canadian public sector accounting standards.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements and for the accounting systems from which they are derived, management maintains the necessary systems of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records maintained.

Ultimate responsibility for consolidated financial statements to the residents of the municipality lies with the Council who review the consolidated financial statements in detail with management prior to their approval for publication.

External auditors are appointed by the Council to audit the consolidated financial statements and are available to meet separately with both the Council and management to review their findings. The external auditors have full and free access to the Council to discuss their audit and their findings as to the integrity of the municipality's financial reporting and the adequacy of the system of internal controls.


Mayor


Administrator

VILLAGE OF KINCAID
Statement of Consolidated Operations
For the year ended December 31, 2025

Statement 2

	2025 Budget	2025	2024
Revenues			
Taxes Revenue	\$ 148,467	\$ 147,134	\$ 145,205
Other Unconditional Revenue	52,134	54,396	52,134
Fees and Charges	141,787	144,177	126,870
Conditional Grants	9,366	17,011	12,998
Tangible Capital Assets - Gain (Loss)	-	-	-
Intangible Capital Assets - Gain (Loss)	-	-	-
Land Sales - Gain	-	1,250	-
Investment Income and Commissions	17,741	11,029	18,908
Other Revenues	739	250	10,848
Restructurings	-	-	-
Provincial/Federal Capital Grants	7,223	7,476	7,223
Total Revenues	377,457	382,723	374,186
Expenses			
General Government Services	120,670	158,477	68,540
Protective Services	9,767	11,078	10,400
Transportation Services	75,428	78,504	90,566
Environmental and Public Health Services	91,701	41,677	41,936
Planning and Development Services	3,200	9,207	2,633
Recreation and Cultural Services	8,109	10,367	9,153
Utility Services	72,940	100,432	61,753
Total Expenses	381,815	409,742	284,981
Surplus (Deficit) of Revenues over Expenses	(4,358)	(27,019)	89,205
Accumulated Surplus (Deficit), Beginning of Year	692,503	692,503	603,298
Accumulated Surplus (Deficit), End of Year	\$ 688,145	\$ 665,484	\$ 692,503

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL CONSOLIDATED STATEMENTS

To the Mayor and Councillors
VILLAGE OF KINCAID

Opinion

The summary consolidated financial statements, which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statement of operations for the year then ended, are derived from the audited consolidated financial statements of the VILLAGE OF KINCAID for the year ended December 31, 2025.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements in accordance with Canadian public sector accounting standards.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summary consolidated financial statements and the auditors' report thereon, therefore, is not a substitute for reading the municipality's audited consolidated financial statements and the auditors' report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed a qualified opinion on the audited consolidated financial statements in our report dated . The summary consolidated financial statements, which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statement of operations for the year then ended, are derived from the audited consolidated financial statements of the VILLAGE OF KINCAID for the year ended December 31, 2025.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with Canadian public sector accounting standards.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Consolidated Summary Financial Statements".

