

R.M. OF HOODOO NO. 401

Auditor's Report

Summarized Consolidated Financial Statements

December 31, 2025

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
R.M. of Hoodoo No. 401 :

Management is responsible for the preparation and presentation of the accompanying summarized consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. 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 consolidated 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 consolidated 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.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated 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.



Reeve



Administrator

REPORT OF THE INDEPENDENT AUDITOR ON
SUMMARY FINANCIAL STATEMENTS

To the **Reeve** and Council of **R.M. of Hoodoo No. 401**

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at **December 31, 2025**, the summary consolidated statement of operations, summary consolidated statement of changes in net financial assets, summary consolidated statement of cash flows, and summary consolidated statement of remeasurement gains and losses for the year then ended are derived from the audited consolidated financial statements of **R.M. of Hoodoo No. 401** as at **December 31, 2025**.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements, on the basis described in Note 1.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summarized consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statement and auditor's report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated April 8, 2026.

Management's Responsibility for the Summarized Statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis described in Note 1.

Auditor's 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 Summary Financial Statements."

Saskatoon, Saskatchewan
April 8, 2026



Chartered Professional Accountants

R.M. OF HOODOO NO. 401

Statement 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2025

with comparative figures for 2024

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
Financial Assets:		
Cash and Cash Equivalents	\$ 3,157,810	3,893,642
Investments	-	-
Taxes Receivable - Municipal	87,889	113,743
Other Accounts Receivable	704,842	441,981
Assets Held for Sale	996	15,364
Long-Term Receivable	142,932	122,281
Debt Charges Recoverable	-	-
Investment in Wheatland Rail Inc.	<u>1,284,796</u>	<u>1,281,061</u>
Total Financial Assets	5,379,265	5,868,072
<u>LIABILITIES</u>		
Bank Indebtedness	-	-
Accounts Payable	152,484	127,378
Accrued Liabilities Payable	172,448	330,682
Deposits	24,500	25,500
Deferred Revenue	-	-
Asset Retirement Obligation	36,943	34,462
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt	675,200	878,839
Gravel Agreement Payable	<u>790,000</u>	<u>-</u>
Total Liabilities	<u>1,851,575</u>	<u>1,396,861</u>
NET FINANCIAL ASSETS (DEBT)	3,527,690	4,471,211
Non-Financial Assets:		
Tangible Capital Assets	11,699,019	9,752,851
Intangible Capital Assets	-	-
Prepaid and Deferred Charges	7,564	25,112
Stock and Supplies	<u>1,279,426</u>	<u>717,717</u>
Total Non-Financial Assets	<u>12,986,009</u>	<u>10,495,680</u>
Accumulated Surplus (Deficit)	<u>\$ 16,513,699</u>	<u>14,966,891</u>
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	16,513,699	14,966,891
Accumulated remeasurement gains (losses) (Statement 5)	-	-

The accompanying notes and schedules are an integral part of these statements.

R.M. OF HOODOO NO. 401

Statement 2

CONSOLIDATED STATEMENT OF OPERATIONS

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
Revenues:			
Tax Revenue	\$ 2,906,700	2,902,378	2,866,530
Other Unconditional Revenue	306,496	306,496	290,257
Fees and Charges	954,381	1,636,326	1,722,651
Conditional Grants	32,644	38,199	4,870
Tangible Capital Asset Sales - Gain (Loss)	-	(1,601)	(48,584)
Land Sales - Gain (Loss)	-	48,807	-
Investment Income	56,425	121,126	151,168
Commissions	-	-	-
Restructurings	-	-	-
Other Revenues (Loss) - Wheatland Rail Inc.	29,920	38,156	225,993
Provincial/Federal Capital Grants and Contributions	<u>48,922</u>	<u>49,965</u>	<u>46,129</u>
Total Revenues	4,335,488	5,139,852	5,259,014
Expenses:			
General Government Services	536,703	544,376	476,343
Protective Services	543,303	482,634	445,682
Transportation Services	2,204,511	1,991,110	1,761,622
Environmental and Public Health Services	140,134	122,695	121,703
Planning and Development Services	238,050	97,236	81,632
Recreation and Cultural Services	44,408	40,710	57,394
Utility Services	293,112	314,283	289,596
Restructurings	-	-	-
Total Expenses	<u>4,000,221</u>	<u>3,593,044</u>	<u>3,233,972</u>
Annual Surplus (Deficit) of Revenues over Expenses	335,267	1,546,808	2,025,042
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) - Beginning of Year	<u>14,966,891</u>	<u>14,966,891</u>	<u>12,941,849</u>
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) - End of Year	<u>\$ 15,302,158</u>	<u>16,513,699</u>	<u>14,966,891</u>

The accompanying notes and schedules are an integral part of these statements.

R.M. OF HOODOO NO. 401

Statement 3

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
Annual Surplus (Deficit) of Revenues over Expenses	\$ 335,267	1,546,808	2,025,042
(Acquisition) of tangible capital assets	(2,279,821)	(2,396,315)	(1,448,330)
Amortization of tangible capital assets	446,993	448,147	427,029
Proceeds on disposal of tangible capital assets	-	400	195,541
Loss (gain) on disposal of tangible capital assets	-	1,601	48,584
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	<u>(1,832,828)</u>	<u>(1,946,167)</u>	<u>(777,176)</u>
(Acquisition) of supplies inventories	-	(11,086)	(5,267)
(Acquisition) of gravel inventories	-	(901,733)	(19,108)
(Acquisition) of prepaid expenses and deposits	-	(7,564)	(22,435)
Consumption of supplies inventories	-	22,551	35,581
Consumption of gravel inventories	-	328,558	264,922
Use of prepaid expenses and deposits	-	25,112	24,799
Surplus (Deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>(544,162)</u>	<u>278,492</u>
Unrealized remeasurement gains (losses)	-	-	-
Increase (decrease) in Net Financial Assets	(1,497,561)	(943,521)	1,526,358
Net Financial Assets (Debt) - Beginning of Year	<u>4,471,211</u>	<u>4,471,211</u>	<u>2,944,853</u>
Net Financial Assets (Debt) - End of Year	<u>\$ 2,973,650</u>	<u>3,527,690</u>	<u>4,471,211</u>

The accompanying notes and schedules are an integral part of these statements.

R.M. OF HOODOO NO. 401

Statement 4

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31, 2025
with comparative figures for 2024

Cash provided by (used for) the following activities:	<u>2025</u>	<u>2024</u>
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	\$ 1,546,808	2,025,042
Amortization of tangible capital assets	448,147	427,029
Loss (gain) on disposal of tangible capital assets	<u>1,601</u>	<u>48,584</u>
	1,996,556	2,500,655
Change in assets/liabilities		
Taxes Receivable - Municipal	25,876	33,239
Other Accounts Receivable	(262,861)	(15,446)
Assets Held for Sale	14,368	(2,500)
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	656,849	120,068
Deposits	(1,000)	(82,000)
Deferred Revenue	-	-
Asset Retirement Obligation	2,481	2,315
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	(561,709)	276,128
Prepayments and Deferred Charges	<u>17,548</u>	<u>2,364</u>
Cash provided by (applied to) operating transactions	<u>1,888,108</u>	<u>2,834,823</u>
Capital:		
Acquisition of tangible capital assets	(2,396,315)	(1,448,330)
Proceeds from the disposal of tangible capital assets	<u>400</u>	<u>195,541</u>
Cash provided by (applied to) capital transactions	<u>(2,395,915)</u>	<u>(1,252,789)</u>
Investing:		
Decrease (increase) in restricted cash or cash equivalents	-	-
Proceeds on disposal of investments	(24,386)	(236,267)
Decrease (increase) in investments	<u>-</u>	<u>-</u>
Cash provided by (applied to) investing transactions	<u>(24,386)</u>	<u>(236,267)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	129,315	-
Long-term debt repaid	(332,954)	(335,460)
Other financing	<u>-</u>	<u>-</u>
Cash provided by (applied to) financing transactions	<u>(203,639)</u>	<u>(335,460)</u>
Change in Cash and Cash Equivalents	(735,832)	1,010,307
Cash and Cash Equivalents - Beginning of Year	<u>3,893,642</u>	<u>2,883,335</u>
Cash and Cash Equivalents - End of Year	<u>\$ 3,157,810</u>	<u>3,893,642</u>

The accompanying notes and schedules are an integral part of these statements.

R.M. OF HOODOO NO. 401

Statement 5

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year ended December 31, 2025
with comparative figures for 2024

	<u>2025</u>	<u>2024</u>
Accumulated remeasurement gains (losses) - Beginning of Year	-	-
Unrealized gains (losses) attributable to:		
Derivatives	-	-
Equity Investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Reclassified to the Statement of Operations:		
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) - End of Year	-	-

The accompanying notes and schedules are an integral part of these statements.

R.M. OF HOODOO NO. 401

NOTES TO THE SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. SUMMARY FINANCIAL STATEMENTS

The summary consolidated financial statements are derived from the audited consolidated financial statements, prepared in accordance with Canadian public sector accounting standards as at December 31, 2025 and December 31, 2024, and for the years then ended.

The preparation of these summary consolidated financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited consolidated financial statements.

Management prepared these summary consolidated financial statements using the following criteria:

- a) the summary consolidated financial statements include a statement for each statement included in the audited consolidated financial statements;
- b) information in the summary consolidated financial statements agrees with the related information in the related audited consolidated financial statements;
- c) major subtotals, totals and comparative information from the audited consolidated financial statements are included; and
- d) the summary consolidated financial statements contain the information from the audited consolidated financial statements dealing with matters that have a pervasive or otherwise significant effect on the summary consolidated financial statements.

The audited consolidated financial statements of R.M. of Hoodoo No. 401 are available upon request by contacting the Municipality.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements are prepared using the accrual basis of accounting using the accounting policies that are described in Note 1 to the Municipality's audited consolidated financial statements in accordance with the local government accounting standards established by the Public Sector Accounting Board. The accrual basis of accounting recognizes revenues as they become available and measurable; 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.

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenditures 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 materials and supplies are based on estimates of volume and quality. The 'Opening asset costs' of capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of capital assets. Asset retirement obligations are measured with reference to the best estimate of the amount required to ultimately remediate the liability, the discount rate, and inflation. These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.