

Annual Consolidated Financial Statements
And Supporting Schedules

Village of Leask

For The Year Ended December 31, 2025

Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated 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 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.

BDO Canada LLP, an independent firm of Chartered Professional Accountant, 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.



Mayor



Administrator

April 15, 2026



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Independent Auditor's Report

To the Council of the Village of Leask

Opinion

We have audited the consolidated financial statements of the Village of Leask and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of operations, the consolidated statement of change in net financial assets and the consolidated statement of 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 matters 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 Group as at December 31, 2025, and its consolidated results of operations, its consolidated measurement gains and losses, its consolidated change in net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Effective January 1, 2023, the Municipality was required to adopt PS 3280 Asset Retirement Obligations, which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. The Significant Accounting Policies describe the asset retirement obligations policy. As disclosed in Note 12, the Municipality does not have the necessary information yet to determine if an obligation needs to be recognized or disclosed for the retirement of the buildings, landfill and its lagoon within the scope of Section 3280. As a result, we have been unable to determine whether any adjustments are required to expenses and annual surplus for the years ended December 31, 2025 and 2024, tangible capital assets and the asset retirement obligation as at December 31, 2025 and 2024, and accumulated surplus as at January 1 and December 31 for both the 2025 and 2024.

Public Sector Accounting Standards require that controlled entities be consolidated into the financial statements of the Municipality as they make up part of the Municipality's government reporting entity. As explained in Note 1 (a), the Municipality has not consolidated certain entities that it controls or jointly controls. Reliable financial statements for the entities were unavailable at the time of our audit, and therefore, we were unable to obtain sufficient and appropriate audit evidence over the extent of adjustments required to the Municipality's consolidated financial position as at December 31, 2025 and its consolidated results of operations, change in net debt, and cash flow for the year then ended. As a result, our opinion on the current year's consolidated financial statements is modified because of the possible effects of this matter on the comparability of the current period's figures and the comparative information.

Our audit opinion on the consolidated financial statements for the year ended December 31, 2024 was modified accordingly because of the possible effects of these limitations in scope.



We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group 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 opinion.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of schedules 2-1 to 2-4, 3-1 to 3-3, 7, 9, 10 and 11 of the Group's consolidated financial statements.

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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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.

BDO Canada LLP

Chartered Professional Accountants

Saskatoon, Saskatchewan

April 17, 2026

Municipality of Village of Leask
Consolidated Statement of Financial Position
As at December 31, 2025

Statement 1

	2025	2024
FINANCIAL ASSETS		
Cash and Cash Equivalents (Note 2)	226,220	192,970
Investments (Note 3)	294,537	334,614
Taxes Receivable - Municipal (Note 4)	32,408	38,351
Other Accounts Receivable (Note 5)	45,556	54,791
Assets Held for Sale (Note 6)	10,751	6,697
Long-Term Investments (Note 7)	-	1
Debt Charges Recoverable (Note 8)	-	-
Derivative Assets (Note 9)	-	-
Total Financial Assets	609,471	627,425
LIABILITIES		
Bank Indebtedness (Note 10)	-	-
Accounts Payable	26,767	31,236
Accrued Liabilities Payable	33,134	26,956
Derivative Liabilities (Note 9)	-	-
Deposits	17,012	14,615
Deferred Revenue (Note 11)	7,706	13,261
Asset Retirement Obligation (Note 12)	852,327	829,624
Liability for Contaminated Sites (Note 13)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 14)	66,313	-
Lease Obligations (Note 15)	-	-
Total Liabilities	1,003,259	915,691
NET FINANCIAL ASSETS (DEBT)	(393,788)	(288,267)
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6)	2,190,350	2,102,985
Prepayments and Deferred Charges	2,333	233
Stock and Supplies	-	-
Other (Note 16)	-	-
Total Non-Financial Assets	2,192,683	2,103,218
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	1,798,895	1,814,952

Contractual Rights (Note 21)
Contingent Liabilities (Note 15)
Contractual Obligations and Commitments (Note 22)

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

Municipality of Village of Leask
 Consolidated Statement of Operations
 As at December 31, 2025

Statement 2

	2025 Budget	2025	2024
REVENUES			
Taxes (Schedule 1)	289,254	292,939	287,637
Other Unconditional Revenue (Schedule 1)	151,615	147,716	150,693
Fees and Charges (Schedule 4, 5)	272,621	313,185	329,447
Conditional Grants (Schedule 4, 5)	13,300	14,033	11,306
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	45,000	-	(14,755)
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income (Schedule 4, 5)	5,920	12,015	8,717
Commissions (Schedule 4, 5)	-	-	-
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	15,993	2,849
Total Revenues	777,710	795,882	775,894
EXPENSES			
General Government Services	253,582	263,628	243,695
Protective Services	47,045	45,421	55,484
Transportation Services	193,623	151,342	97,475
Environmental and Public Health Services	105,469	135,767	160,891
Planning and Development Services	250	6,520	250
Recreation and Cultural Services	51,439	45,305	39,158
Utility Services	243,580	194,410	240,394
Restructurings	-	-	-
Total Expenses	894,988	842,393	837,346
Annual Surplus (Deficit) of Revenues over Expenses before Other Capital Cor	(117,278)	(46,511)	(61,453)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	24,271	30,454	98,399
Annual Surplus (Deficit) of Revenues over Expenses	(93,007)	(16,057)	36,946
Accumulated Surplus (Deficit), Beginning of Year	1,814,952	1,814,952	1,778,006
Accumulated Surplus (Deficit), End of Year	1,721,946	1,798,895	1,814,952

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

Municipality of Village of Leask
Consolidated Statement of Change in Net Debt
As at December 31, 2025

Statement 3

	2025 Budget	2025	2024
Surplus (Deficit)	(93,007)	(16,057)	36,946
(Acquisition) of tangible capital assets	-	(179,363)	(85,386)
Amortization of tangible capital assets	91,999	91,999	84,046
Proceeds on disposal of tangible capital assets	-	-	1,000
Loss (gain) on the disposal of tangible capital assets	-	-	14,755
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	91,999	(87,365)	14,415
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expense	-	(2,333)	(233)
Consumption of supplies inventory	-	-	-
Use of prepaid expense	-	234	233
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(2,099)	(0)
Increase/Decrease in Net Financial Assets	(1,008)	(105,521)	51,361
Net Financial Assets (Debt) - Beginning of Year	(288,267)	(288,267)	(339,628)
Net Financial Assets (Debt) - End of Year	(289,275)	(398,788)	(288,267)

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

Municipality of Village of Leask
Consolidated Statement of Cash Flow
As at December 31, 2025

Statement 4

	2025	2024
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	(16,057)	36,946
Amortization	91,999	84,046
Loss (gain) on disposal of tangible capital assets	(2)	14,755
	75,940	135,747
Change in assets/liabilities		
Taxes Receivable - Municipal	5,943	(1,887)
Other Receivables	9,236	111,727
Assets Held for Sale	(4,054)	(5,197)
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	1,710	(11,552)
Deposits	2,397	(125)
Deferred Revenue	(5,554)	(73,534)
Accrued Landfill Costs	22,703	47,624
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	-	-
Prepayments and Deferred Charges	(2,100)	-
Cash provided by operating transactions	106,221	202,804
Capital:		
Cash used to acquire tangible capital assets	(179,363)	(85,386)
Proceeds on sale of tangible capital assets	-	1,000
Cash applied to capital transactions	(179,363)	(84,386)
Investing:		
Proceeds on disposal of investments	40,079	89,990
Acquisition in investment	-	-
Cash provided by (applied to) investing transactions	40,079	89,990
Financing:		
Debt charges recovered	-	-
Proceeds from debt issues	-	-
Debt repayment	66,313	-
Cash provided by (applied to) financing transactions	66,313	-
Change in Cash and Temporary Investments during the year	33,250	208,408
Cash and Temporary Investments - Beginning of Year	192,970	(15,437)
Cash and Temporary Investments - End of Year	226,220	192,970

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

Municipality of **Village of Leask**
Notes to the Consolidated Financial Statements
As at December 31, 2025

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:

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 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. The following organizations have not been consolidated into the Municipality's financial statements:

Entity

Leask Golf Course Board

Leask Happy Homesteaders Committee

Leask Rink Board

Leask & District Recreation Board

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for school boards, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation.
- 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 revenue in the period that the events giving rise to the transfer occur, providing:
- a) the transfers are authorized
 - b) any eligibility criteria and stipulations have been met; and
 - c) reasonable estimates of the amounts 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.

Municipality of Village of Leask
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

- e) **Revenue** - Revenue from transactions with no performance obligations is recognized as revenue when the associated act occurs.

For Revenue items with related performance obligations:

Contracts are recorded as revenue as the service or contract activity is performed, provided that at the time of performance ultimate collection is reasonably assured. If payment is not received at the time the service or contract activity is performed, accounts receivable will be recorded.

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 delivered has stand-alone value to that customer and the fair value associated with the product or service can be measured reliably. The amount 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 fulfil 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
- e) The municipality provides the payor with access to a specific 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.

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.

- f) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- 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 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.
- 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 8.

1. Significant Accounting Policies - continued

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 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.

k) **Financial Instruments:** Derivative and equity instruments 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. 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.

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.

The municipalities financial assets and liabilities are measured as follows:

<u>Financial Statement line item</u>	<u>Measurement</u>
Cash & Cash Equivalents	Cost and amortized cost
Investments	Cost and amortized cost
Other Accounts Receivable	Cost and amortized cost
Long term receivables	Amortized cost
Debt Charges Recoverable	Amortized cost
Bank Indebtedness	Amortized cost
Accounts payable and accrued liability	Cost
Deposit liabilities	Cost
Long-Term Debt	Amortized cost
Derivative Assets and Liabilities	Fair Value

l) **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 or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

m) **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. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 20 Yrs
Infrastructure Assets	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	30 to 75 Yrs
Road Network Assets	30 to 75 Yrs

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 consolidated 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 tangible capital assets. 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 leases are amortized on a straight line basis, over their estimated useful lives of the lease term. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

Municipality of Village of Leask
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

- n) **Public Private Partnerships:** Public private partnerships where the municipality procures infrastructure using a private sector partner are accounted for and reported as infrastructure assets on the Statement of Financial Position and are initially recognized at cost. Cost includes the gross amount of consideration given up to acquire, construct, develop or better a tangible capital asset; and all costs directly attributable to the acquisition, construction, development or betterment of the infrastructure asset. Infrastructure assets are amortized over the assets useful life and recognized as an expense in the Statement of Operations.

When the municipality has recognized an infrastructure asset in relation to a public private partnership arrangement and has an obligation to provide consideration to the private sector partner, the municipality recognizes a corresponding infrastructure liability on the Statement of Financial Position. Infrastructure liabilities are initially measured at the same amount as the related infrastructure asset, reduced for any consideration previously provided to the public sector partner. Other consideration attributable to the partnership agreement such as operating and maintenance payments are excluded from the measurement of the liability. Two common models used to measure infrastructure liabilities are the financial liability and user pay models. The financial liability model is utilized when the municipality designs, builds, finances, operates and/or maintains infrastructure in exchange for a contractual right to receive cash or another asset. The reason for this being that the corresponding liability constitutes a financial liability. The user pay model is applicable when the private sector partner designs, buildings, finances, operates and/or maintains the infrastructure in exchange for a right to charge the ultimate end users. This compensation granted by the municipality is facilitated via the granting of rights to earn revenue from a third party. Due to such, the corresponding liability should be classified as a performance obligation.

- o) **Trust Funds:** Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the municipality. Trust fund activities administered by the municipality are disclosed in Note 20.
- p) **Employee Benefit Plans:** Contributions to the municipality's multiemployer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the municipality's obligations are limited to their contributions.
- q) **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:
- a) an environmental standard exists;
 - b) contamination exceeds the environmental standard;
 - c) the municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
 - d) it is expected that future economic benefits will be given up; and
 - e) a reasonable estimate of the amount can be made.
- r) **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 revenue and expenditures during the period.

Measurement uncertainty 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. Amortization is based on the estimated useful lives of tangible capital assets and intangible capital assets.

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.

Municipality of Village of Leask
Notes to the Consolidated Financial Statements
As at December 31, 2025

1. Significant Accounting Policies - continued

- s) **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.

- t) **Budget Information:** Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 24, 2025.

- u) **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.

- v) **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, 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.

The liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate.

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.

- w) **Loan Guarantees:** The municipality provides loan guarantees for various (describe) organizations, which are not consolidated as part of the municipality's Statements. As the guarantees represent potential financial commitments for the municipality, these amounts are considered as contingent liabilities and not formally recognized as liabilities until the municipality considers it likely for the borrower to default on its obligation and the amount of the liability can be estimated. The municipality monitors the status of the organizations, loans, and lines of credit annually and in the event that payment by the municipality is likely to occur, a provision will be recognized in the Statements.

Municipality of Village of Leask
Notes to the Consolidated Financial Statements
As at December 31, 2025

2. Cash and Cash Equivalents	2025	2024
Cash	110,965	192,970
Short-term investments - amortized cost	115,255	-
Restricted Cash	-	-
Total Cash and Cash Equivalents	226,220	192,970

Cash and Cash Equivalents includes balances with banks and short-term deposits with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

3. Investments	2025	2024
Investments carried at amortized cost:		
Short-term notes and deposits	294,537	334,614
Government/government guaranteed bonds	-	-
Total investments	294,537	334,614

Short-term notes and deposits have effective interest rates of 3.05 % to 3.80% (Prior - 2% to 3.15%) and mature in less than one year.

Investment Income	2025	2024
Interest	12,015	8,717
Dividends	-	-
Realized gains (losses) previously recognized in the statement of remeasurement	-	-
Realized gains (losses) on disposal	-	-
Impairment charges	-	-
Net settlement on Derivative Financial Instruments	-	-
Income from Portfolio Investments	-	-
Total investment income	12,015	8,717

4. Taxes Receivable - Municipal	2025	2024
Municipal - Current	29,670	31,974
- Arrears	5,931	12,878
	35,601	44,851
- Less Allowance for Uncollectible	(3,500)	(6,500)
Total municipal taxes receivable	32,101	38,351
School - Current	1,818	1,875
- Arrears	1,996	4,567
Total school taxes receivable	3,813	6,442
Other	0	0
Total taxes and grants in lieu receivable	35,914	44,794
Deduct taxes receivable to be collected on behalf of other organizations	(3,506)	(6,443)
Total Taxes Receivable - Municipal	32,408	38,351

Municipality of Village of Leask
Notes to the Consolidated Financial Statements
As at December 31, 2025

5. Other Accounts Receivable	2025	2024
Federal Government	12,725	16,136
Provincial Government	-	-
Local Government	-	-
Utility	21,745	22,764
Trade	11,089	15,892
Miscellaneous	(4)	-
Leask Community Hardware	-	-
Total Other Accounts Receivable	45,556	54,791
Less: Allowance for Uncollectible	-	-
Net Other Accounts Receivable	45,556	54,791

6. Assets Held for Sale	2025	2024
Tax Title Property	47,763	15,233
Allowance for market value adjustment	(32,026)	(9,537)
Net Tax Title Property	15,738	5,697
Other Land	-	5,987
Allowance for market value adjustment	(4,987)	(4,987)
Net Other Land	(4,987)	1,000
Total Land for Sale	10,751	6,697
Other (Describe)	-	-
Total Assets Held for Sale	10,751	6,697

7. Long-Term Receivable	2025	2024
Sask Assoc. of Rural Municipalities - Self Insurance Fund	-	-
Leask Community Hardware Store	-	1
Total Long-Term Receivable	-	1

8. Debt Charges Recoverable	2025	2024
Current debt charges recoverable		
Non-current debt charges recoverable		
Total Debt Charges Recoverable	-	-

The municipality has undertaken no projects.

Municipality of **Village of Leask**
Notes to the Consolidated Financial Statements
As at December 31, 2025

9. Financial Instruments - Fair Value Disclosures

	Fair value hierarchy level	2025		2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets carried at fair value	Level 1 / 2 / 3				
Equity instruments quoted in an active market		-	-	-	-
Portfolio investments		-	-	-	-
Derivative assets		-	-	-	-
Total financial assets carried at fair value		-	-	-	-
	Fair value hierarchy level	2025		2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial liabilities carried at fair value	Level 1 / 2 / 3				
Derivative liability		-	-	-	-
Total financial liabilities carried at fair value		-	-	-	-

For those instruments measured at cost / amortized cost the carrying value approximates the fair value.

Financial instruments are classified as level 1, 2 or 3 for the purposes of describing the basis of the inputs used to measure the fair values of financial instruments in the fair value measurement category, as described below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets / liabilities;
- Level 2 - Inputs other than those in Level 1, that are either directly or indirectly observable for the assets or liabilities; and
- Level 3 - Inputs that are not based on observable market data (unobservable inputs).

There were no significant transfers between Fair Value Hierarchy Levels during the period.

10. Bank Indebtedness

Credit Arrangements

At December 31, 2025, the Municipality had lines of credit totaling \$200,000 (2024 - \$200,000), of which \$nil (2024 - \$nil) was drawn. The line of credit has an interest rate of 4.95% (2024 - 5.95%).

11. Deferred Revenue

	2024	Restricted Inflow	Revenue Recognized	2025
Gas Tax	6,842	24,367	(31,210)	-
Deferred tax & utility payments	6,418	7,706	(6,418)	7,706
Total Deferred Revenue	13,261	32,074	(37,628)	7,706

12. Asset Retirement Obligation

	2025	2024
Estimated total liability	852,327	829,624
	852,327	829,624

In the current year the municipality has accrued an overall liability for environmental matters in the amount of \$852,327 (prior year - 829,624) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

Included in environmental liabilities is \$852,327 (prior year - \$829,624) of the estimated total landfill closure expenses, no liability has been recorded for post-closure care expenses. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the municipality's average long-term borrowing rate of 3.49% (prior year - 3.49%).

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. 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 Municipality has not recognized an asset retirement obligation for legal obligations associated with the retirement of its buildings, primarily expected to be the removal of asbestos. Although there is potentially asbestos in the buildings constructed in the 1990s and earlier, no asset retirement obligation has been recorded because a reasonable estimate of the amount of the liability cannot be made at this time, as the appropriate experts have not been engaged. The Municipality has not recorded any asset retirement obligation for its water treatment plant and lagoon, as the appropriate experts have not been engaged.

Municipality of Village of Leask
Notes to the Consolidated Financial Statements
As at December 31, 2025

13. Liability for Contaminated Sites

The municipality has no liabilities for contaminated sites.

14. Long-Term Debt

a) The debt limit of the municipality is \$621,831. 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)).

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Year Total	Prior Year Total
2025	22,104.27	-	22,104.27	-
2026	29,472.36	-	29,472.36	22,104.27
2027	29,472.36	-	29,472.36	29,472.36
2028	7,368.09	-	7,368.09	29,472.36
2029		-	-	7,368.09
Thereafter		-	-	-
Balance	88,417	-	88,417	88,417

15. Lease Obligations

The municipality has no lease obligations.

Year	Payment Amount
2023	-
2024	-
2025	-
2026	-
2027	-
Thereafter	-
Total future minimum lease payments	-
Amounts representing interest at a weighted average rate of _____%	-
Capital Lease Liability	-

Municipality of Village of Leask
Notes to the Consolidated Financial Statements
As at December 31, 2025

16. Other Non-financial Assets

2025	2024
-	-

17. Contingent Liabilities

The municipality has no contingent liabilities.

18. 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. The municipality's pension expense in 2025 was \$13,531 (2024 - \$11,883). 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.

Employees Contribution	9%
Employers contribution	9%

Total current service contributions by the municipality to the MEPP in 2025 were \$13,531 (2024 - 11,883). Total current service contributions by the employees of the municipality to the MEPP in 2025 were \$13,531 (2024 - 11,883).

At December 31, 2024, the most recent available financial information, the MEPP had total assets of \$4,090,806,000 (2024 - \$3,602,822,000) and disclosed a surplus of \$1,519,648,000 (2024 - \$1,161,337,000).

19. Comparative Figures

Prior year comparative figures have been restated to conform to the current year's presentation.

20. Trusts Administered by the Municipality

A summary of trust fund activity by the municipality during the year is as follows:

	Current Year Total	Prior Year Total
Balance - Beginning of Year	-	-
Revenue	-	-
Interest revenue	-	-
Expenditure	-	-
Balance - End of Year	-	-

21. Related Parties

The consolidated financial statements include transactions with related parties. There were no related party transactions during the year.

22. Contingent Assets

The municipality no contingent asset for which the probability of future event that would result in the asset occurring is likely. Contingent assets are not recorded in the financial statements.

23. Contractual Rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality are as follows:

Contractual Rights Type	Describe Nature Time and Extent	2026	2027	2028	2029	2030	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
Contractual Rights 1									-	
Contractual Rights 2									-	
Contractual Rights 3									-	
Total		-	-	-	-	-	-	-	-	-

24. Contractual Obligations and Commitments

The municipality has entered into one multiple-year contract for the delivery of services and the construction of tangible capital assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. Significant contractual obligations and commitments of the municipality include:

Contractual Obligations and Commitments Type ¹	Describe Nature Time and Extent	2026	2027	2028	2029	2030	Thereafter	No Fixed Maturity Date	Current Year Total	Prior Year Total
Contractual Rights 1									-	
Contractual Rights 2									-	
Contractual Rights 3									-	
Total		-	-	-	-	-	-	-	-	-

¹ See Note 13 for Capital Lease obligations.

25. Budgeted Information

The unaudited budgeted information is presented on a basis consistent with that use for actual results, except for the following adjustments.

Budget surplus/(deficit) per statement of operations	(93,007)
Add:	
Amortization	<u>91,999</u>
Approved budget surplus	(1,008)

Municipality of **Village of Leask**
Notes to the Consolidated Financial Statements
As at December 31, 2025

26. 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 cash and cash equivalents, investments and other accounts receivables. The municipalities' cash and investments is maintained at major financial institutions; therefore, the Municipality considers the risk of non-performance of these instruments to be remote. The municipalities' financial assets, including receivables, are not exposed to significant credit risk due to the nature of the receivables being primarily comprised of amounts due from government funders with a strong ability to pay.

The municipalities maximum exposure to credit risk as at December 31 is as follows:

	2025
<i>Cash and Cash Equivalents (Note 2)</i>	226,220
<i>Investments (Note 3)</i>	294,537
<i>Other Accounts Receivable (Note 5)</i>	45,556
Maximum credit risk exposure	271,775

At December 31 the following were past due but not impaired:

	30 days	60 days	90 days	Over 120
<i>Cash and Cash Equivalents (Note 2)</i>	-	-	-	-
<i>Investments (Note 3)</i>	-	-	-	-
<i>Other Accounts Receivable (Note 5)</i>	-	-	-	-
Net total	-	-	-	-

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 financial instruments that potentially subject the municipality to liquidity risk consist of bank indebtedness and accounts payable.

The following table outlines the maturity analysis of certain non-derivative and derivative financial liabilities as at December 31:

	Total	2026	2027	2028	Post 2027
<i>Accounts Payable</i>	26,767	26,767	-	-	-
	26,767	26,767	-	-	-

Market Risk

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

Interest Rate Risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The municipalities is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed interest instruments subject the enterprise to fair value risk, while floating rate instruments subject it to cash flow risk. As at December 31, 2025, the Municipalities exposure to interest rate risk is as follows:

Bank indebtedness refer to note 10

Long-term debt refer to note 14

The municipality does not actively mitigate this interest rate risk.

Municipality of Village of Leask
 Schedule of Taxes and Other Unconditional Revenue
 As at December 31, 2025

Schedule 1

	2025 Budget	2025	2024
TAXES			
General municipal tax levy	296,354	374,085	293,984
Abatements and adjustments	(500)	(75,528)	-
Discount on current year taxes	(10,600)	(11,000)	(11,503)
Net Municipal Taxes	285,254	287,557	282,481
Potash tax share			
Trailer license fees			
Penalties on tax arrears	4,000	5,382	5,156
Special tax levy	-	(0)	(0)
Other (Specify)	-		
Total Taxes	289,254	292,939	287,637
UNCONDITIONAL GRANTS			
Revenue Sharing (Organized Hamlet)	113,747	113,747	106,904
Other (Specify)		-	-
Total Unconditional Grants	113,747	113,747	106,904
GRANTS IN LIEU OF TAXES			
Federal	1,668	730	1,668
Provincial			
S.P.C. Electrical			
SaskEnergy Gas			
TransGas			
Central Services			
SaskTel			
Other (Specify)	-	-	-
Local/Other			
Housing Authority			
C.P.R. Mainline			
Treaty Land Entitlement			
Other (Specify)			
Other Government Transfers			
S.P.C. Surcharge	23,500	22,349	29,732
Sask Energy Surcharge	12,700	10,891	12,389
Other (Specify)			
Total Grants in Lieu of Taxes	37,868	33,969	43,789
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	440,869	440,656	438,330

Municipality of Village of Leask
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2025
 (Unaudited)

Schedule 2 - 1

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Admin	-	-	-
- Sales of supplies	-	-	-
- Rentals	16,200	18,750	12,960
- Miscellenous	15,450	33,482	62,321
Total Fees and Charges	31,650	52,232	75,281
- Tangible capital asset sales - gain (loss)	45,000	-	(14,755)
- Land sales - gain	-	-	-
- Investment income	5,920	12,015	8,717
- Commissions	-	-	-
- Other (Specify) Donations	-	13,950	1,663
Total Other Segmented Revenue	82,570	78,197	70,907
Conditional Grants			
- Student Employment	-	823	595
- MEEP	-	-	-
- Other (Specify)	-	-	-
Total Conditional Grants	-	823	595
Total Operating	82,570	79,020	71,501
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total General Government Services	82,570	79,020	71,501

PROTECTIVE SERVICES

Operating

Other Segmented Revenue			
Fees and Charges			
- Other (Specify)	-	-	2,939
Total Fees and Charges	-	-	2,939
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)	-	-	-
Total Other Segmented Revenue	-	-	2,939
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	2,939

Capital

Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- Local government			
- MEEP			
- Other (Specify)	-	-	-
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Protective Services	-	-	2,939

Municipality of Village of Leask
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2025
 (Unaudited)

Schedule 2 - 2

	2025 Budget	2025	2024
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work			
- Other (Specify)	350	350	350
Total Fees and Charges	350	350	350
- Tangible capital asset sales - gain (loss)	-	-	-
- Other (Specify)			
Total Other Segmented Revenue	350	350	350
Conditional Grants			
- RIRG (CTP)			
- Student Employment			
- MEEP	-	-	-
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	350	350	350
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- RIRG (CTP, Bridge and Large Culvert, Road Const.)			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Transportation Services	350	350	350

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges	2,500	1,897	3,693
- Waste and Disposal Fees	5,333	5,431	5,389
- Other (Specify)	6,130	6,075	6,085
Total Fees and Charges	13,963	13,403	15,167
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	13,963	13,403	15,167
Conditional Grants			
- Student Employment			
- TAPD			
- Local government			
- MEEP			
- Other (Specify) MMSW	10,800	10,711	10,711
Total Conditional Grants	10,800	10,711	10,711
Total Operating	24,763	24,113	25,878
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- TAPD			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Environmental and Public Health Services	24,763	24,113	25,878

Municipality of Village of Leask
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2025
 (Unaudited)

Schedule 2 - 3

	2025 Budget	2025	2024
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	100	1,459	50
- Other (Specify)			
Total Fees and Charges	100	1,459	50
- Tangible capital asset sales - gain (loss)			
- Other (Specify) Donations	-	2,043	1,186
Total Other Segmented Revenue	100	3,501	1,236
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	100	3,501	1,236
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Planning and Development Services	100	3,501	1,236

RECREATION AND CULTURAL SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges	18,300	18,960	22,350
- Other (Specify)	-	-	-
Total Fees and Charges	18,300	18,960	22,350
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	18,300	18,960	22,350
Conditional Grants			
- Student Employment			
- Local government			
- MEEP			
- Other (Specify)	2,500	2,500	-
Total Conditional Grants	2,500	2,500	-
Total Operating	20,800	21,460	22,350
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)			
- ICIP			
- Local government			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	-	-	-
Restructuring Revenue (Specify, if any)			
Total Recreation and Cultural Services	20,800	21,460	22,350

Municipality of Village of Leask
 Schedule of Operating and Capital Revenue by Function
 As at December 31, 2025
 (Unaudited)

Schedule 2 - 4

	2025 Budget	2025	2024
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	159,775	173,828	164,174
- Sewer	48,483	52,954	49,136
- Other (Specify)			
Total Fees and Charges	208,258	226,782	213,310
- Tangible capital asset sales - gain (loss)			
- Other (Specify)			
Total Other Segmented Revenue	208,258	226,782	213,310
Conditional Grants			
- Student Employment			
- MEEP			
- Other (Specify)			
Total Conditional Grants	-	-	-
Total Operating	208,258	226,782	213,310
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	24,271	30,454	98,399
- ICIP			
- New Building Canada Fund (SCF, NRP)			
- Clean Water and Wastewater Fund			
- Provincial Disaster Assistance			
- MEEP			
- Other (Specify)			
Total Capital	24,271	30,454	98,399
Restructuring Revenue (Specify, if any)			
Total Utility Services	232,529	257,236	311,709
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	361,112	385,680	435,963

SUMMARY

Total Other Segmented Revenue	323,541	341,193	326,259
Total Conditional Grants	13,300	14,033	11,306
Total Capital Grants and Contributions	24,271	30,454	98,399
Restructuring Revenue	-	-	-
TOTAL REVENUE BY FUNCTION	361,112	385,680	435,963

Municipality of Village of Leask

Total Expenses by Function

As at December 31, 2025

Schedule 3 - 1

(Unaudited)

	2025 Budget	2025	2024
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	21,000	16,435	22,325
Wages and benefits	110,396	113,925	109,285
Professional/Contractual services	87,032	86,943	84,548
Utilities	4,120	5,139	6,060
Maintenance, materials and supplies	25,563	17,678	17,606
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	2,971	2,971	1,782
Accretion of asset retirement obligation	-	-	-
Interest	-	-	-
Allowance for uncollectible	-	17,598	-
Other (Specify)	2,500	2,940	2,088
General Government Services	253,582	263,628	243,695
Restructuring (Specify, if any)			
Total General Government Services	253,582	263,628	243,695

PROTECTIVE SERVICES

Police protection

Wages and benefits	-	-	-
Professional/Contractual services	22,100	22,957	22,421
Utilities	-	-	-
Maintenance, material and supplies	1,000	-	271
Accretion of asset retirement obligation	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other (Specify)			

Fire protection

Wages and benefits	-	-	-
Professional/Contractual services	5,715	5,009	6,865
Utilities	3,500	3,019	7,052
Maintenance, material and supplies	2,850	2,557	6,996
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	11,880	11,880	11,880
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Capital Purchase	-	-	-

Protective Services	47,045	45,421	55,484
Restructuring (Specify, if any)			
Total Protective Services	47,045	45,421	55,484

TRANSPORTATION SERVICES

Wages and benefits	28,600	14,549	10,709
Professional/Contractual Services	10,000	5,172	4,495
Utilities	-	-	-
Maintenance, materials, and supplies	100,150	122,553	74,558
Gravel	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	9,068	9,068	7,713
Interest	-	-	-
Accretion of asset retirement obligation	-	-	-
Other (Specify)	45,805	-	-

Transportation Services	193,623	151,342	97,475
Restructuring (Specify, if any)			
Total Transportation Services	193,623	151,342	97,475

Municipality of Village of Leask

Total Expenses by Function

As at December 31, 2025

Schedule 3 - 2

(Unaudited)

	2025 Budget	2025	2024
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	-	-	-
Professional/Contractual services	1,800	1,757	1,693
Utilities	5,289	4,880	4,604
Maintenance, materials and supplies	85,300	116,050	141,514
Grants and contributions - operating	3,790	3,790	3,790
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization	9,290	9,290	9,290
Interest			
Accretion of asset retirement obligation			
Other (Landfill closure costs)	-	-	-
Other (Miscellaneous)	-	-	-
Environmental and Public Health Services	105,469	135,767	160,891
Restructuring (Specify, if any)			
Total Environmental and Public Health Services	105,469	135,767	160,891

PLANNING AND DEVELOPMENT SERVICES

Wages and benefits	-	-	-
Professional/Contractual Services	250	6,520	250
Grants and contributions - operating	-	-	-
- capital			
Amortization			
Interest			
Accretion of asset retirement obligation			
Other (Specify)	-	-	-
Planning and Development Services	250	6,520	250
Restructuring (Specify, if any)			
Total Planning and Development Services	250	6,520	250

RECREATION AND CULTURAL SERVICES

Wages and benefits	-	-	-
Professional/Contractual services	7,400	7,391	6,981
Utilities	15,700	11,850	14,044
Maintenance, materials and supplies	14,200	14,825	7,741
Grants and contributions - operating	-	(2,900)	(3,747)
- capital	-	-	-
Amortization	14,139	14,139	14,139
Interest			
Accretion of asset retirement obligation			
Allowance for uncollectible			
Other (Specify)	-	-	-
Recreation and Cultural Services	51,439	45,305	39,158
Restructuring (Specify, if any)			
Total Recreation and Cultural Services	51,439	45,305	39,158

Municipality of Village of Leask

Total Expenses by Function

As at December 31, 2025

Schedule 3 - 3

(Unaudited)

	2025 Budget	2025	2024
UTILITY SERVICES			
Wages and benefits	84,735	92,717	96,257
Professional/Contractual services	14,400	28,386	11,307
Utilities	20,050	14,442	17,376
Maintenance, materials and supplies	62,003	13,880	76,142
Grants and contributions - operating			
- capital			
Amortization	44,651	44,651	39,242
Accretion of asset retirement obligation			
Interest			
Allowance for Uncollectible			
Other (Specify)	17,741	334	70
Utility Services	243,580	194,410	240,394
Restructuring (Specify, if any)			
Total Utility Services	243,580	194,410	240,394
TOTAL EXPENSES BY FUNCTION	894,988	842,393	837,346

Municipality of Village of Leask
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2025

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues								
Fees and Charges	52,232	-	350	13,403	1,459	18,960	226,782	313,185
Tangible Capital Asset Sales - Gain	-	-	-	-	-	-	-	-
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	12,015	-	-	-	-	-	-	12,015
Commissions	13,950	-	-	-	2,043	-	-	15,993
Other Revenues	823	-	-	10,711	-	2,500	-	14,033
Grants - Conditional	-	-	-	-	-	-	30,454	30,454
- Capital Restructurings	-	-	-	-	-	-	-	-
Total Revenues	79,020	-	350	24,113	3,501	21,460	257,236	385,680
Expenses								
Wages & Benefits	130,360	-	14,549	-	-	-	92,717	237,626
Professional/ Contractual Services	86,943	27,966	5,172	1,757	6,520	7,391	28,386	164,134
Utilities	5,139	3,019	-	4,880	-	11,850	14,442	39,330
Maintenance Materials and Supplies	17,678	2,557	122,553	116,050	-	14,825	13,880	287,543
Grants and Contributions	-	-	-	3,790	-	(2,900)	-	890
Amortization	2,971	11,880	9,068	9,290	-	14,139	44,651	91,999
Interest	-	-	-	-	-	-	-	-
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	17,598	-	-	-	-	-	-	17,598
Restructurings	-	-	-	-	-	-	-	-
Other	2,940	-	-	-	-	-	334	3,273
Total Expenses	263,628	45,421	151,342	135,767	6,520	45,305	194,410	842,393
Surplus (Deficit) by Function	(184,608)	(45,421)	(150,992)	(111,654)	(3,019)	(23,845)	32,371	(456,713)
Taxes and other unconditional revenue (Schedule 1)								440,656
Net Surplus (Deficit)								(16,057)

Municipality of Village of Leask
 Consolidated Schedule of Segment Disclosure by Function
 As at December 31, 2024

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues								
Fees and Charges	75,281	2,939	350	15,167	50	22,350	213,310	329,447
Tangible Capital Asset Sales - Gain	(14,755)	-	-	-	-	-	-	(14,755)
Land Sales - Gain	-	-	-	-	-	-	-	-
Investment Income	8,717	-	-	-	-	-	-	8,717
Commissions	-	-	-	-	-	-	-	-
Other Revenues	1,663	-	-	-	1,186	-	-	2,849
Grants - Conditional	595	-	-	10,711	-	-	-	11,306
- Capital	-	-	-	-	-	-	98,399	98,399
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	71,501	2,939	350	25,878	1,236	22,350	311,709	435,963
Expenses								
Wages & Benefits	131,610	-	10,709	-	-	-	96,257	238,576
Professional/ Contractual Services	84,548	29,285	4,495	1,693	250	6,981	11,307	138,560
Utilities	6,060	7,052	-	4,604	-	14,044	17,376	49,136
Maintenance Materials and Supplies	17,606	7,267	74,558	141,514	-	7,741	76,142	324,828
Grants and Contributions	-	-	-	3,790	-	(3,747)	-	43
Amortization	1,782	11,880	7,713	9,290	-	14,139	39,242	84,046
Interest	-	-	-	-	-	-	-	-
Accretion of asset retirement obligation	-	-	-	-	-	-	-	-
Allowance for Uncollectible	-	-	-	-	-	-	-	-
Restructurings	-	-	-	-	-	-	-	-
Other	2,088	-	-	-	-	-	70	2,158
Total Expenses	243,695	55,484	97,475	160,891	250	39,158	240,394	837,346
Surplus (Deficit) by Function	(172,194)	(52,545)	(97,125)	(135,013)	986	(16,808)	71,316	(401,383)
Taxes and other unconditional revenue (Schedule 1)								438,330
Net Surplus (Deficit)								36,946

Municipality of
 Consolidated Schedule of Tangible Capital Assets by Object
 As at December 31, 2025

Village of Leask
 Schedule 6

	2025					2024		
	Land	Buildings	Vehicles	Machinery & Equipment	Linear assets	Landfill Engineered Structure	General/ Infrastructure Assets Under Construction	Total
Asset cost								
Opening Asset costs	13,428	2,413,314	18,649	1,238,828	970,717	-	-	4,594,710
Additions during the year	-	-	-	179,363	-	-	-	179,363
Disposals and write-downs during the year	-	-	-	-	-	-	-	85,386
Transfers (from) assets under construction	-	-	-	-	-	-	-	(25,160)
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-
Closing Asset Costs	13,428	2,413,314	18,649	1,418,191	970,717	-	-	4,834,299
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	-	1,427,536	13,645	434,659	676,112	-	-	2,551,951
Add: Amortization taken	-	36,451	1,148	42,773	11,627	-	-	91,999
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	(9,405)
Closing Accumulated	-	1,463,987	14,793	477,432	687,738	-	-	2,643,949
Net Book Value	13,428	949,327	3,856	940,759	282,979	-	-	2,190,350

1. Total contributed/donated assets received in 2025 \$ -

2. List of assets recognized at nominal value in 2025 are:

- Infrastructure Assets \$ -

- Vehicles \$ -

- Machinery and Equipment \$ -

3. Amount of interest capitalized in Schedule 6 \$ -

Municipality of Village of Leask
 Consolidated Schedule of Tangible Capital Assets by Function
 As at December 31, 2025
 (Unaudited)

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	127,923	643,026	268,672	420,238	-	1,265,790	1,929,287	4,513,449
Additions during the year	5,281	-	140,638	-	-	-	33,444	81,261
Disposals and write-downs during the year	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-
Closing Asset Costs	133,204	643,026	409,310	420,238	-	1,265,790	1,962,731	4,594,710
Accumulated								
Opening Accumulated Amortization Costs	103,341	203,522	200,996	220,859	-	938,789	884,444	2,382,814
Add: Amortization taken	2,971	11,880	9,068	9,290	-	14,139	44,651	94,496
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Transfers between functions	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	106,312	215,402	210,064	230,149	-	952,928	929,095	2,643,950
Net Book Value	26,892	427,624	199,246	190,089	-	312,862	1,033,636	2,117,400

Municipality of Village of Leask
 Consolidated Schedule of Accumulated Surplus
 As at December 31, 2025

Schedule 8

	2024	Changes	2025
UNAPPROPRIATED SURPLUS	(503,362)	(103,422)	(606,784)
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	-	-	-
Capital Trust	18,050	-	18,050
Utility	142,095	-	142,095
Other (Specify)	55,184	-	55,184
Total Appropriated	215,329	-	215,329
ORGANIZED HAMLETS (add lines if required)			
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	2,102,985	87,365	2,190,350
Less: Related debt			
Net Investment in Tangible Capital Assets	2,102,985	87,365	2,190,350
Total Accumulated Surplus	1,814,952	(16,057)	1,798,895

Municipality of
Schedule of Mill Rates and Assessments
As at December 31, 2025
(Unaudited)

Village of Leask
Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Railway	
Taxable Assessment	5,144,095	13,676,240	-	-	793,645	11,050	19,625,030
Regional Park Assessment							-
Total Assessment							19,625,030
Mill Rate Factor(s)	1.7500	1.0000	-	-	1.5000	2	
Total Base/Minimum Tax (generated for each property class)	1,900	143,925	-	-	13,775	-	159,600
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	82,919	266,527	-	-	24,489	149	374,085

MILL RATES:

	MILLS
Average Municipal*	19.0616
Average School*	3.9418
Potash Mill Rate	-
Uniform Municipal Mill Rate	9.00

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority).

Municipality of Village of Leask
Schedule of Council Remuneration
As at December 31, 2025
(Unaudited)

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Eugene Verbonac	3,375	666	4,041
Councillor	Valerie Priestley	3,050	1,342	4,392
Councillor	Roger Straf	1,925	400	2,325
Councillor	Zach Waldner	2,175	480	2,655
Councillor	David Petriew	2,600	480	3,080
Total		13,125	3,368	16,493

Municipality of Village of Leask
Schedule of Restructuring
As at December 31, 2025
(Unaudited)

Schedule 11

2025

Carrying Amount of Assets and Liabilities Transferred/Received at Restructuring Date:	
Cash and Temporary Investments	-
Taxes Receivable - Municipal	-
Other Accounts Receivable	-
Assets Held for Sale	-
Long-Term Investments	-
Debt Charges Recoverable	-
Bank Indebtedness	-
Accounts Payable	-
Accrued Liabilities Payable	-
Deposits	-
Deferred Revenue	-
Accrued Landfill Costs	-
Liability for Contaminated Sites	-
Other Liabilities	-
Long-Term Debt	-
Lease Obligations	-
Tangible Capital Assets	-
Prepayments and Deferred Charges	-
Stock and Supplies	-
Other	-
Total Net Carrying Amount Received (Transferred)	-