TOWN OF SOURIS

Consolidated Financial Statements

March 31, 2026

TOWN OF SOURIS
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March 31, 2026

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Town of Souris are the responsibility of management and have been prepared in accordance with Canadian Accounting Standards for the Public Sector. A summary of the significant accounting policies are described in the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current period cannot be finalized with a certainty until future periods.

To meet its responsibility, management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The council met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by MRSB Chartered Professional Accountants Inc., independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Town of Souris:

____

Chief Administrative Officer

MRSB
Accounting Tax Consulting Valuation Bookkeeping
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Charlottetown, PE
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the Town of Souris

Opinion

We have audited the consolidated financial statements of the Town of Souris (the Town), which comprise the consolidated statement of financial position as at March 31, 2026, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes and schedules to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at March 31, 2026, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Public Sector.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian Accounting Standards for Public Sector, 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 Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

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

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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 Town'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 Town'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 Town 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.

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

Charlottetown, PE

September 14, 2026

TOWN OF SOURIS
Consolidated Statement of Financial Position
March 31, 2026

	2026	2025
Financial assets		
Cash and cash equivalents		
Unrestricted cash	**$ 1,646,659**	$ 1,334,600
Restricted cash	**542,166**	584,845
Accounts receivable (Note 3)	**563,311**	370,918
	2,752,136	2,290,363
Liabilities		
Accounts payable and accrued liabilities	**106,875**	64,625
Retiring allowances payable	**98,292**	85,767
Deferred revenue (Note 4)	**667,939**	709,341
Long term debt (Note 5)	**1,394,303**	961,201
	2,267,409	1,820,934
Net financial assets (Statement 6)	**484,727**	469,429
Non-financial assets		
Prepaid expense	**13,597**	29,952
Tangible capital assets (Schedules 1 and 2)	**15,630,829**	14,499,636
Intangible assets (Note 6)	**32,805**	37,481
	15,677,231	14,567,069
Accumulated surplus (Statement 5)	**$ 16,161,958**	$ 15,036,498

ON BEHALF OF COUNCIL

_______________________________ *Mayor*

_______________________________ *Councillor*

Notes 1 - 14 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Consolidated Statement of Operations
Year Ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
Revenues			
Town (Schedule 3)	$ 1,606,972	$ 1,803,197	$ 1,609,851
Sewer (Schedule 5)	378,500	390,853	379,425
Water (Schedule 6)	249,200	269,079	249,231
	2,234,672	2,463,129	2,238,507
Expenditures			
Town (Schedule 3)	1,556,536	1,861,682	1,678,021
Sewer (Schedule 5)	275,931	416,955	412,357
Water (Schedule 6)	275,130	327,985	333,048
	2,107,597	2,606,622	2,423,426
Operating surplus (deficit)	127,075	(143,494)	(184,919)
Other revenues			
Town (Schedule 3)	230,000	1,268,089	126,775
Sewer (Schedule 5)	-	815	2,712
Water (Schedule 6)	-	50	6,297
	230,000	1,268,954	135,784
Annual surplus (deficit)	357,075	1,125,460	(49,135)
Accumulated surplus - beginning of year	15,036,498	15,036,498	15,085,633
Accumulated surplus - end of year (Note 8)	$ 15,393,573	$ 16,161,958	$ 15,036,498

Notes 1 - 14 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
Annual surplus	$ 357,075	$ 1,125,460	$ (49,135)
Purchase of tangible capital assets	(249,382)	(1,696,551)	(334,987)
Purchase of intangible assets	-	-	(746)
Proceeds on disposal of tangible capital assets	-	-	4,800
Decrease (increase) in prepaid expense	-	16,360	(26,813)
Amortization of tangible capital assets	-	565,353	527,081
Amortization of intangible assets	-	4,676	4,676
(Gain) loss on disposal of tangible capital assets	-	-	(3,525)
	(249,382)	(1,110,162)	170,486
Increase (decrease) in net financial assets	107,693	15,298	121,351
Net financial assets - beginning of year	469,429	469,429	348,078
Net financial assets - end of year	$ 577,122	$ 484,727	$ 469,429

Notes 1 - 14 are an integral part of these consolidated financial statements

TOWN OF SOURIS
Consolidated Statement of Cash Flows
Year Ended March 31, 2026

	2026	2025
Cash flows from operating activities		
Annual surplus	**$ 1,125,460**	$ (49,135)
Items not affecting cash:		
Amortization of tangible capital assets	**565,351**	527,084
Amortization of intangible assets	**4,676**	4,676
Loss on disposal of tangible capital assets	**-**	(3,525)
	1,695,487	479,100
Changes in non-cash working capital:		
Accounts receivable	**(192,393)**	110,642
Prepaid expense	**16,355**	(26,818)
Accounts payable and accrued liabilities	**42,257**	(35,827)
Retiring allowance payable	**12,525**	5,954
Deferred revenue	**(41,402)**	73,709
	(162,658)	127,660
	1,532,829	606,760
Cash flows from capital activities		
Purchase of tangible capital assets	**(1,696,551)**	(334,987)
Proceeds on disposal of tangible capital assets	**-**	4,800
Purchase of intangible assets	**-**	(746)
	(1,696,551)	(330,933)
Cash flows from financing activities		
Repayment of long term debt	**(127,508)**	(81,808)
Proceeds from long term debt	**560,611**	-
	433,103	(81,808)
Increase in cash	**269,381**	194,019
Cash - beginning of year	**1,919,444**	1,725,426
Cash - end of year	**$ 2,188,825**	$ 1,919,445
Cash consists of:		
Unrestricted cash	**$ 1,646,659**	$ 1,334,600
Restricted cash	**542,166**	584,845
	$ 2,188,825	$ 1,919,445

Notes 1 - 14 are an integral part of these consolidated financial statements

1. DESCRIPTION OF BUSINESS

The Town of Souris (the "Town") was incorporated under the Municipalities Act of Prince Edward Island. The Town is a non-profit organization under the Income Tax Act and accordingly is exempt from income taxes provided certain requirements of the Income Tax Act are met. Its principal activities include the provision of legal government services to residents of the incorporated area.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These consolidated financial statements for the Town of Souris have been prepared by management in accordance with Canadian Accounting Standards for the Public Sector.

These consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs and in the completion of specific work. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the year when the related expenditures are incurred, services are performed or the tangible capital assets are acquired.

Basis of consolidation

These consolidated financial statements for the Town of Souris reflect the assets, liabilities, revenues, expenditures, and annual surplus of all funds of the Town. The Town is comprised of all organizations and committees that are accountable to the Town for the administration of their financial affairs and resources, and which are owned or controlled by the Town. This includes the Town of Souris Sewer and Water Utility Corporation.

The financial activities of certain entities associated with the Town of Souris are considered to be separate government business enterprises and are not consolidated. These entities include:

Eastern Kings Sportsplex Ltd.

Cash

Cash is comprised of cash on hand and unrestricted and restricted balances on deposit with banks.

Accounts receivable

Accounts receivable arise from sewer and water dues, government funding, miscellaneous and Harmonized Sales Tax receivable. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

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2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

Tangible capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis:

Town:	
Storm drains	50 years
Road infrastructure	50 years
Buildings	40 years
Beach development	25 years
Waterfront development	25 years
Sidewalks	25 years
Street improvements	25 years
Sportsfield	20 years
Multi-court development	20 years
Paving	20 years
Fire trucks	20 years
Heavy equipment	20 years
Boardwalk	15 years
Park improvements	15 years
Fencing	15 years
Equipment	15 years
Motor vehicles	10 years
Zodiac boat	10 years
Lawnmower	10 years
Computer equipment	5 years
Computer software	5 years
Signage	5 years
Costume	5 years
Dog park	15 years
Utility:	
Water	1.2%, 5%, and 10%
Sewer	1.2%, 5%, and 10%
Buildings	10%
Equipment	10%
Office equipment	10%

Tangible capital assets of the Sewer and Water Utility are stated at cost and amortized using the straight-line method at the rates as directed by the Island Regulatory and Appeals Commission.

One half of the annual rate is recorded in the year of acquisition for Town tangible capital assets; no amortization is recorded in the year of disposal.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Intangible assets

The intangible assets consist of official plan stated at cost and being amortized on a straight-line basis over their estimated useful lives of ten years.

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2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Interest capitalization

Interest costs relating to major capital projects in progress are capitalized as part of tangible capital assets. Capitalization of interest ceases when the asset is substantially complete and ready for its intended productive use. During the year, $19,088 of interest was capitalized to the Sewer Treatment Plant.

Impairment of long lived assets

The Town tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Asset Retirement Obligation

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Consolidated Statement of Operations. As at March 31, 2026, no asset retirement obligations have been identified by management.

Reserves

The reserve funds are credited by specific charges as a direct transfer from or to the funds.

Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for the use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

Employee future benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, retiring allowances, and defined contributions to employee benefit plans when it is probable that settlement will be required and they are capable of being measured reliably.

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2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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 in the consolidated financial statements as revenue in the year in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates on the amounts can be determined.

Revenue recognition

Property tax billings are based on the assessed value of real property in the Town and are payable in each calendar year. Municipal tax rates are reviewed, established, and approved annually by the Town Council. These revenues are recognized when amounts received monthly from the Province.

Sewer and water dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed quarterly and are recognized when billings come due.

Revenue from transactions with performance obligations are recognized when (or as) the Town satisfies a performance obligation. Revenue from transactions with no performance obligations are recognized when the Town has the authority to claim or retain an inflow of economic resources and a past transaction has given rise to an asset.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in surplus. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

Management estimates

The presentation of the consolidated financial statements in conformity with Canadian Accounting Standards for the Public Sector requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those reported. The following are areas in which management makes significant accounting estimates:

- The amounts recorded for amortization of tangible capital assets on the consolidated statement of operations is subject to management's assessment of the estimated useful life of the Town's tangible capital assets;
- The recognized amounts of potential claims and liabilities depend on management's assessment of future costs and the probability these events will occur.

3. ACCOUNTS RECEIVABLE

	2026	2025
Government funding receivable	$ **401,110**	$ 223,213
Water and sewer receivables	**120,556**	124,891
HST receivable	**23,868**	15,884
Miscellaneous receivables	**21,402**	10,596
Allowance for doubtful accounts	**(3,625)**	(3,666)
	$ **563,311**	$ 370,918

4. DEFERRED REVENUE

	2026	2025
Canada Community Building Fund	$ **664,412**	$ 707,091
Miscellaneous	**3,527**	2,250
	$ **667,939**	$ 709,341

Under the Canada Community Building Fund, the Town will receive $100,246 (2025 - $100,246) in funding, earned interest of $16,817 and incurred eligible expenditures of $113,766 for the year then ended March 31, 2026.

5. LONG TERM DEBT

	2026	2025
<u>Town of Souris</u>		
Souris Credit Union Limited - prime; repayable in monthly blended installments of $1,680. The loan matures on January 26, 2027 and is secured by demand note and general security agreement which provides a first floating charge over all assets.	$ **15,905**	$ 34,812
Souris Credit Union Limited - prime; repayable in monthly blended installments of $1,091. The loan matures on July 18, 2026 and is secured by demand note and general security agreement which provides a first floating charge over all assets.	**3,556**	16,148
Souris Credit Union Limited - 4.85%, repayable in monthly blended installments of $2,802. The loan matures on April 30, 2028 and is secured by general security agreement and first charge on 32 Lea Crane Blvd, Souris, PE.	**418,374**	-
Souris Credit Union Limited - prime, repayable in monthly blended installments of $2,462. The loan matures on July 16, 2030 and is secured by general security agreement.	**114,632**	-
	552,467	50,960

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5. LONG TERM DEBT *(continued)*

	2026	2025
Sewer and Water Utility Corporation		
Souris Credit Union Limited - prime; repayable in monthly blended installments of $3,920. The loan matures on November 15, 2032 and is secured by demand note and general security agreement which provides a first floating charge over all assets.	**500,802**	523,576
Souris Credit Union Limited - prime; repayable in monthly blended installments of $2,134. The loan matures on July 30, 2032 and is secured by demand note and general security agreement which provides a first floating charge over all assets.	**139,829**	158,361
CIBC - 5.42%, repayable in monthly blended installments of $1,007. The loan matures on February 1, 2028.	**105,101**	111,311
Bank of Montreal - 5.15%; repayable in monthly blended installments of $848. The loan matures on July 31, 2026.	**47,608**	55,122
Bank of Montreal - 4.99%; repayable in monthly blended installments of $618. The loan matures on April 30, 2030.	**27,334**	33,216
Bank of Montreal - 5.45%; repayable in monthly principal installments of $579. The loan matures on April 30, 2029.	**21,162**	28,655
	841,836	910,241
	$ 1,394,303	$ 961,201

Principal repayments of long term debt are expected to be repaid over the next five years as follows:

2027	$ 166,726
2028	195,886
2029	478,469
2030	84,481
2031	434,553
Thereafter	34,188

6. INTANGIBLE ASSETS

	2026	2025
Official plan	**$ 46,758**	$ 46,758
Accumulated amortization	**(13,953)**	(9,277)
	$ 32,805	$ 37,481

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7. GOVERNMENT TRANSFERS FOR CAPITAL

	2026	2025
Town		
Province of PEI Community Revitalization Program	$ 917,436	$ 57,329
Municipal Capital Expenditure Grant	156,426	17,543
Canada Community Building Fund	113,767	19,049
Active Transportation	50,000	-
Active Communities Development Inc	18,366	-
Live Well PEI	7,500	-
Tourism PEI	4,594	5,000
Province of PEI Rural Growth Initiative	-	24,329
	1,268,089	123,250
Sewer		
Municipal Capital Expenditure Grant	815	2,712
Water		
Municipal Capital Expenditure Grant	50	6,297
Total government transfers for capital	$ 1,268,954	$ 132,259

8. ACCUMULATED SURPLUS

	2026	2025
Unrestricted surplus	$ 844,676	$ 428,320
Reserve funds (Note 9)	1,047,950	1,032,260
Investment in tangible capital assets (Note 10)	14,240,527	13,538,437
Investment in intangible assets (Note 6)	32,805	37,481
	$ 16,165,958	$ 15,036,498

9. RESERVE FUNDS

	2026	2025
Balance - beginning of year	**$ 1,032,260**	$ 1,032,260
Allocation from revenue	**15,690**	-
Balance - end of year	**$ 1,047,950**	$ 1,032,260
Comprised of:		
Fire Hall and equipment	**$ 380,000**	$ 230,000
Fire truck	**207,160**	167,160
Sidewalks, streets and storm drains	**138,000**	138,000
Rink upgrades and replacements	**100,000**	100,000
Gateway Park	**74,000**	-
Street equipment	**60,690**	110,000
Public Buildings Upgrades	**60,000**	10,000
Active Transportation	**28,100**	-
Water tank upgrades	**-**	150,000
Economic Development	**-**	24,000
Alternative Energy	**-**	100,000
Special events	**-**	3,100
	$ 1,047,950	$ 1,032,260

10. INVESTMENT IN TANGIBLE CAPITAL ASSET

	2026	2025
Tangible capital assets (Schedules 1 and 2)	**$ 25,760,405**	$ 24,063,857
Accumulated amortization (Schedules 1 and 2)	**(10,125,575)**	(9,564,219)
Long term debt (Note 5)	**(1,394,303)**	(961,201)
	$ 14,240,527	$ 13,538,437

11. RATE REGULATION

The Town is subject to rate regulation on the sewer and water utilities provided to residents in Prince Edward Island under the Island Regulatory and Appeals Commissions Act. The purpose of this Act, which is administered by the Island Regulatory and Appeals Commission (IRAC), is to regulate the rate municipalities may charge for sewer and water utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for sewer and water services.

Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to sewer utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

12. BUDGET FIGURES

A reconciliation of the 2025 fiscal operating budget prepared by Council to the budget figures disclosed in the consolidated financial statements is as follows:

	2026
Town of Souris budgeted annual surplus	$ 96,092
Town of Souris Sewer and Water Utility Corporation budgeted annual surplus	(36,875)
Add: Capital expenditures	249,382
Add: Term debt principal repayments	163,476
Less: Reserve funds	(115,000)
	$ 357,075

The budget figures provided on Statements 5 and 6 and Schedules 3 - 16 have not been audited or reviewed by the external auditor.

13. FINANCIAL INSTRUMENTS

The Town's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, retiring allowances payable and long term debt.

The Town is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Town's risk exposure and concentration as of March 31, 2026.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from customers. In order to reduce its credit risk, the Town reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Town has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, and accounts payable.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Town manages exposure through its normal operating and financing activities. The Town is exposed to interest rate risk primarily through its floating interest rate credit facilities.

14. SEGMENT DISCLOSURES

The Town is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes, the Town's operations and activities are organized and reported by segment. The major segments are as follows:

General Government

This segment is responsible for the overall financial and local government administration. Its tasks include, but are not limited to, daily accounting functions, preparation and coordination of annual consolidated audited financial statements, development of the annual budget, human resource functions for the entire Town, maintenance of bylaws and policies, oversight of public works, maintenance of Town facilities, and administration of Town services.

Fire Department

This segment is responsible for the maintenance and operations of the fire department services provided to residents and other customers.

Water Utility

This segment is responsible for the maintenance and operations of water services provided to residents and other customers.

Sewer Utility

This segment is responsible for the maintenance and operations of sewer services provided to residents and other customers.

TOWN OF SOURIS

Schedules to Consolidated Financial Statements **(Schedule 1)**
Tangible Capital Assets
Year Ended March 31, 2026

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Town									
Land	$ 323,254	$ 35,000	$ -	$ 358,254	$ -	$ -	$ -	$ -	$ 358,254
Storm drains	781,099	-	-	781,099	339,912	15,623	-	355,535	425,564
Road infrastructure	431,869	-	-	431,869	4,319	8,637	-	12,956	418,913
Buildings	2,984,245	1,279,901	-	4,264,146	1,631,528	88,704	-	1,720,232	2,543,914
Beach development	1,248,934	21,605	-	1,270,539	465,007	50,390	-	515,397	755,142
Waterfront development	889,867	-	-	889,867	883,675	751	-	884,426	5,441
Sidewalks	1,056,754	-	-	1,056,754	528,782	30,956	-	559,738	497,016
Street improvements	355,837	24,310	-	380,147	325,641	2,712	-	328,353	51,794
Sportsfield	342,609	7,269	-	349,878	234,396	9,189	-	243,585	106,293
Mulit-court development	61,808	9,559	-	71,367	49,651	1,077	-	50,728	20,639
Paving	178,450	-	-	178,450	112,169	8,692	-	120,861	57,589
Fire trucks	1,340,976	-	-	1,340,976	797,451	48,377	-	845,828	495,148
Heavy equipment	354,610	164,192	-	518,802	174,712	21,836	-	196,548	322,254
Boardwalk	752,670	-	-	752,670	259,549	47,226	-	306,775	445,895
Park improvements	64,682	-	-	64,682	40,845	4,312	-	45,157	19,525
Fencing	20,035	-	-	20,035	12,884	1,336	-	14,220	5,815
Equipment	1,231,777	139,411	-	1,371,188	856,699	49,205	-	905,904	465,284
Motor vehicles	100,092	-	-	100,092	40,242	7,341	-	47,583	52,509
Zodiac boat	23,181	-	-	23,181	17,966	2,318	-	20,284	2,897
Lawnmower	30,218	-	-	30,218	25,127	1,010	-	26,137	4,081
Computer equipment	66,461	-	-	66,461	50,641	5,642	-	56,283	10,178

(continues)

Tangible Capital Assets
Year Ended March 31, 2026

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Computer software	13,149	-	-	13,149	13,149	-	-	13,149	-
Signage	85,318	5,786	-	91,104	69,241	7,303	-	76,544	14,560
Costume	3,745	-	-	3,745	3,745	-	-	3,745	-
Dog Park	31,343	-	-	31,343	3,134	2,090	-	5,224	26,119
	$ 12,772,983	$ 1,687,033	$ -	$ 14,460,016	$ 6,940,465	$ 414,727	$ -	$ 7,355,192	$ 7,104,824
Sewer and Water									
Land	$ 24,289	$ -	$ -	$ 24,289	$ -	$ -	$ -	$ -	$ 24,289
Water	3,068,590	8,964	-	3,077,554	997,126	37,713	-	1,034,839	2,042,715
Sewer	7,918,245	551	-	7,918,796	1,436,021	97,883	-	1,533,904	6,384,892
Buildings	112,611	-	-	112,611	110,499	528	-	111,027	1,584
Equipment	145,052	-	-	145,052	58,021	14,505	-	72,526	72,526
Office equipment	22,087	-	-	22,087	22,087	-	-	22,087	-
	$ 11,290,874	$ 9,515	$ -	$ 11,300,389	$ 2,623,754	$ 150,629	$ -	$ 2,774,383	$ 8,526,006
Total	$ 24,063,857	$ 1,696,551	$ -	$ 25,760,405	$ 9,564,219	$ 565,353	$ -	$ 10,129,575	$ 15,630,829

TOWN OF SOURIS

Schedules to Consolidated Financial Statements (Schedule 2)

Tangible Capital Assets

Year Ended March 31, 2025

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Town									
Land	$ 317,585	$ 5,669	$ -	$ 323,254	$ -	$ -	$ -	$ -	$ 323,254
Storm drains	781,099	-	-	781,099	324,290	15,622	-	339,912	441,187
Road infrastructure	431,869	-	-	431,869	-	4,319	-	4,319	427,550
Buildings	2,894,947	89,298	-	2,984,245	1,559,978	71,550	-	1,631,528	1,352,717
Beach development	1,223,151	25,783	-	1,248,934	415,566	49,441	-	465,007	783,927
Waterfront development	889,867	-	-	889,867	882,924	751	-	883,675	6,192
Sidewalks	1,056,754	-	-	1,056,754	497,816	30,966	-	528,782	527,972
Street improvements	355,837	-	-	355,837	323,414	2,227	-	325,641	30,196
Sportsfield	342,609	-	-	342,609	225,388	9,008	-	234,396	108,213
Multi-court development	61,808	-	-	61,808	48,813	838	-	49,651	12,157
Paving	178,450	-	-	178,450	103,477	8,692	-	112,169	66,281
Fire trucks	1,340,976	-	-	1,340,976	749,074	48,377	-	797,451	543,525
Heavy equipment	348,160	6,450	-	354,610	157,143	17,569	-	174,712	179,898
Boardwalk	752,670	-	-	752,670	212,322	47,227	-	259,549	493,121
Park improvements	62,585	2,097	-	64,682	36,603	4,242	-	40,845	23,837
Fencing	20,035	-	-	20,035	11,549	1,335	-	12,884	7,151
Equipment	1,166,232	65,545	-	1,231,777	815,911	40,788	-	856,699	375,078
Motor vehicles	60,974	48,687	(9,569)	100,092	42,963	5,573	(8,294)	40,242	59,850
Zodiac boat	23,181	-	-	23,181	15,647	2,319	-	17,966	5,215
Lawnmower	30,218	-	-	30,218	24,067	1,060	-	25,127	5,091
Computer equipment	61,834	4,627	-	66,461	45,287	5,354	-	50,641	15,820
Computer software	13,149	-	-	13,149	13,149	-	-	13,149	-

(continues)

Notes 1 - 14 are an integral part of these consolidated financial statements

TOWN OF SOURIS

Schedules to Consolidated Financial Statements *(continued)* **(Schedule 2)**

Tangible Capital Assets

Year Ended March 31, 2025

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Signage	85,318	-	-	85,318	62,165	7,076	-	69,241	16,077
Costume	3,745	-	-	3,745	3,745	-	-	3,745	-
Dog Park	31,343	-	-	31,343	1,045	2,089	-	3,134	28,209
	$ 12,534,396	$ 248,156	$ (9,569)	$ 12,772,983	$ 6,572,336	$ 376,423	$ (8,294)	$ 6,940,465	$ 5,832,518
Sewer and Water									
Land	$ 24,289	$ -	$ -	$ 24,289	$ -	$ -	$ -	$ -	$ 24,289
Water	2,999,327	69,263	-	3,068,590	959,383	37,741	-	997,126	2,071,464
Sewer	7,900,678	17,567	-	7,918,245	1,338,138	97,883	-	1,436,021	6,482,224
Buildings	112,611	-	-	112,611	109,971	528	-	110,499	2,112
Equipment	145,052	-	-	145,052	43,516	14,505	-	58,021	87,031
Office equipment	22,087	-	-	22,087	22,087	-	-	22,087	-
	$ 11,204,044	$ 86,830	$ -	$ 11,290,874	$ 2,473,095	$ 150,657	$ -	$ 2,623,754	$ 8,667,120
Total	$ 23,738,440	$ 334,987	$ (9,569)	$ 24,063,857	$ 9,045,431	$ 527,081	$ (8,294)	$ 9,564,219	$ 14,499,636

TOWN OF SOURIS

Statement of Operations - Town **(Schedule 3)**

Year Ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
Revenues			
Municipal taxes	$ 939,589	$ 992,516	$ 884,858
Municipal grant	263,000	318,997	286,269
Fire dues	250,560	243,225	249,260
Matthew MacLean building rent	55,900	54,916	49,616
Interest	25,000	43,944	54,401
Hospital grant in lieu of taxes	-	40,005	2
Beachfront rentals	27,800	27,783	23,500
Summer camp registrations	-	17,885	-
Miscellaneous	3,653	17,573	23,104
Fines	12,000	16,817	10,931
Sportsplex contribution	10,620	12,592	11,643
License fees	6,000	5,105	4,669
Newsletter	3,000	3,812	2,754
Rent	3,600	3,600	3,600
Music in the Park	3,500	2,600	2,600
Souvenir sales	2,500	1,686	2,442
History book sales	250	141	202
	1,606,972	1,803,197	1,609,851
Expenditures			
Amortization of tangible capital assets	-	414,726	376,425
Amortization of intangible assets	-	4,676	4,676
Economic Development (Schedule 4)	1,500	500	-
Emergency Measures Operations (Schedule 4)	1,500	501	462
Fire Department (Schedule 4)	144,134	127,701	120,695
Fire protection water supply	96,700	111,005	96,801
Gateway Park (Schedule 4)	58,290	54,875	44,617
General Administration (Schedule 4)	360,782	372,214	306,043
Improvement and Beautification (Schedule 4)	29,500	24,606	25,632
Information Technology (Schedule 4)	20,200	14,887	14,815
Matthew MacLean Building (Schedule 4)	52,790	48,666	43,214
Police Protection	118,250	115,750	111,258
Public Property (Schedule 4)	38,590	38,029	35,178
Publicity and Town Promotion (Schedule 4)	60,450	49,866	45,884
Recreation and Youth (Schedule 4)	55,000	34,669	33,807
Seniors grant	1,500	1,000	1,100
Streets and Sidewalks (Schedule 4)	512,950	445,365	407,856
Tourism (Schedule 4)	4,400	2,646	9,558
	1,556,536	1,861,682	1,678,021
Operating surplus (deficit)	50,436	(58,485)	(68,170)
Other revenues			
Government transfers for capital (Note 7)	200,000	1,268,089	123,250
Gain (loss) on sale of tangible capital assets	30,000	-	3,525
	230,000	1,268,089	126,775

(continues)

Notes 1 - 14 are an integral part of these consolidated financial statements

	Budget 2026	**Actual 2026**	**%**	Actual 2025	%
Annual surplus	**$ 280,436**	**$ 1,209,604**		$ 58,605	

TOWN OF SOURIS

Schedule of Expenditures - Town (Schedule 4)

Year Ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
Economic Development			
Economic development	$ 1,500	$ 500	$ -
	1,500	500	-
Emergency Measures Operations			
Policy updates and training	1,000	501	462
Presentation	500	-	-
	1,500	501	462
Fire Department			
Advertising	500	938	253
Electricity	8,500	9,741	8,254
Firehall - fuel	7,000	6,869	6,714
Firehall - maintenance	5,600	4,122	3,745
Firehall - telephone	3,000	2,564	2,325
Firemen's life insurance	5,500	5,174	4,324
Firemen's recreation	10,000	10,395	6,878
Fire truck - fuel	5,000	2,169	3,971
Fire truck - maintenance	12,000	7,708	5,015
Licenses and fees	4,000	2,186	2,758
Monitor repairs and maintenance	1,000	488	352
Phone system	3,500	3,221	3,253
Property tax	250	171	175
Supplies and maintenance	20,000	13,816	19,094
Training	12,500	10,080	7,556
Wages	45,000	47,275	45,244
Water and sewer	784	784	784
	144,134	127,701	120,695
Gateway Park			
Electricity and internet	6,500	6,201	4,581
Garbage removal	3,500	2,440	1,761
Insurance	6,000	4,396	5,779
Maintenance and supplies	19,500	21,546	9,761
Maintenance wages	22,000	19,508	21,951
Water and sewer	790	784	784
	58,290	54,875	44,617

(continues)

TOWN OF SOURIS

Schedule of Expenditures - Town *(continued)* (Schedule 4)

Year Ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
General Administration			
Administration salaries	**57,880**	**59,681**	16,730
Advertising	**3,000**	**2,108**	1,512
Bank charges	**300**	**605**	303
Bylaw enforcement officer	**13,750**	**14,256**	12,480
Council and administrative travel	**3,500**	**1,924**	2,656
Council honoraria	**21,775**	**21,775**	17,339
Donations	**11,500**	**25,753**	11,440
Election	-	**-**	2,034
Employee benefits	**35,915**	**40,445**	17,372
Events coordinator	**44,850**	**46,663**	50,183
Federation fees	**2,800**	**2,244**	2,713
Federation meeting	**1,400**	**1,496**	1,119
Generator	**1,000**	**1,012**	2,872
Hospitality	**2,500**	**1,980**	1,977
Insurance	**40,000**	**29,809**	38,379
Mayor's expense	**1,000**	**777**	635
Office and supplies	**8,000**	**12,701**	8,647
Professional fees	**19,000**	**22,860**	34,839
Planning services	**10,000**	**-**	495
Retiring allowance	**1,700**	**6,439**	1,489
Scholarships	**1,500**	**2,000**	800
Staff training	**3,000**	**1,265**	525
Sundry	**2,100**	**1,998**	2,200
Telephone - Garage (Water)	**4,300**	**4,310**	3,837
Town administrator salary and benefits	**66,612**	**65,919**	69,880
Workers compensation	**3,400**	**4,194**	3,587
	360,782	**372,214**	306,043
Improvement and Beautification			
Flowers and trees	**2,000**	**2,404**	1,774
Flower bed planting and maintenance	**26,000**	**22,202**	23,858
Tree planting/maintenance	**1,500**	**-**	-
	29,500	**24,606**	25,632
Information Technology			
Computer repairs and website maintenance	**6,200**	**5,915**	8,683
Computer training staff/council	**500**	**-**	-
Miscellaneous	**7,500**	**2,026**	1,242
Sharepoint system	**5,000**	**6,946**	4,890
Software	**1,000**	**-**	-
	20,200	**14,887**	14,815

(continues)

	Budget 2026	Actual 2026	Actual 2025
Matthew MacLean Building			
Electricity	**15,000**	**13,889**	15,838
Elevator maintenance and inspection	**1,000**	**502**	683
Garbage removal	**2,500**	**2,461**	2,427
Insurance	**10,500**	**10,470**	10,079
Janitor	**7,000**	**5,010**	5,210
Maintenance and repairs	**12,000**	**11,662**	4,326
Property tax	**4,000**	**3,888**	3,867
Water and sewer	**790**	**784**	784
	52,790	**48,666**	43,214
Public Property			
Alarm monitoring	**800**	**1,416**	1,329
Electricity	**7,000**	**7,366**	6,486
Elevator maintenance contract	**3,500**	**2,899**	3,970
Fuel	**8,000**	**8,097**	8,766
Property tax	**3,500**	**3,344**	3,315
Repairs and maintenance	**15,000**	**14,123**	10,529
Water and sewer	**790**	**784**	783
	38,590	**38,029**	35,178
Publicity and Town Promotion			
Beach sign electricity	**1,500**	**1,405**	1,068
Canada Day	**16,000**	**15,028**	21,715
Christmas parade	**4,500**	**4,333**	1,848
Event advertisements	**500**	**262**	363
Float construction and decorations	**2,000**	**1,005**	1,027
Home lighting contest	**700**	**500**	500
Music in the Park	**5,500**	**3,700**	3,645
Newsletter	**1,500**	**4,073**	1,787
Other events	**18,750**	**8,125**	5,031
Seaglass festival	**4,500**	**4,012**	4,397
Souvenirs	**5,000**	**7,423**	4,503
	60,450	**49,866**	45,884
Recreation and Youth			
Eastern Kings Sportsplex water and sewer	**2,500**	**2,941**	2,415
Maintenance, repairs and electricity	**5,000**	**3,363**	4,274
Miscellaneous	**2,000**	**121**	1,752
Playground and sports equipment	**25,000**	**12,330**	8,431
Property tax	**2,500**	**2,105**	2,044
Recreation grants	**3,000**	**1,950**	1,650
Sundry events	**15,000**	**11,859**	13,241
	55,000	**34,669**	33,807

(continues)

	Budget 2026	Actual 2026	Actual 2025
Streets and Sidewalks			
Backhoe, holder and dump truck fuel	**15,500**	**14,298**	11,717
Backhoe maintenance	**1,500**	**1,185**	415
EDA and casual wages	**36,750**	**17,658**	15,395
Electricity	**55,000**	**54,880**	53,714
Garage maintenance and repairs	**5,000**	**7,625**	5,466
Garbage cans and disposal	**3,000**	**3,708**	3,592
Holder maintenance	**20,000**	**4,561**	7,355
Ice control	**26,500**	**27,631**	26,196
Interest on long term debt	**-**	**6,498**	2,834
Lawnmower supplies and maintenance	**4,500**	**3,453**	5,166
Maintenance and repairs	**18,000**	**19,482**	17,319
Paving and patching	**90,000**	**63,370**	5,840
Plowing and sanding streets	**132,000**	**129,745**	128,845
Salaries and benefits	**66,200**	**61,677**	80,522
Sidewalk replacement and repairs	**5,000**	**-**	12,411
Sidewalk salting and sanding	**1,000**	**275**	275
Street decorations	**5,000**	**1,677**	5,497
Street signs and advertising	**2,000**	**799**	4,217
Staff overtime	**15,000**	**19,053**	14,595
Tree removal	**4,000**	**1,100**	-
Truck maintenance	**7,000**	**6,690**	6,485
	512,950	**445,365**	407,856
Tourism			
Advertising	**4,400**	**2,646**	9,558
	4,400	**2,646**	9,558

TOWN OF SOURIS

Statement of Operations - Sewer **(Schedule 5)**

Year Ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
Revenues			
Sewer rates			
Domestic sewer	$ 239,000	$ 239,137	$ 238,211
Metered sewer	138,000	150,242	139,535
Connection fees and interest	1,500	1,474	1,679
	378,500	390,853	379,425
Expenditures			
Administration			
Council fees	5,863	5,863	4,668
Insurance	9,250	7,538	9,141
Island Regulatory and Appeals Commission	3,900	7,826	4,359
Office	4,100	4,812	5,122
Professional fees	4,500	2,117	2,323
Property tax	875	1,063	943
Rent	1,800	1,800	1,800
Telephone	600	538	475
Wages and wage levies	49,700	53,065	49,792
	80,588	84,622	78,623
Operating			
Backhoe	3,000	3,827	3,628
Electricity	39,000	43,633	36,964
Fuel	1,500	-	-
Garage			
Fuel	2,750	3,886	2,584
Insurance	2,000	1,462	1,767
Property tax	500	985	375
Repairs	750	363	190
Telephone	-	324	-
Utilities	1,900	2,153	1,554
Water and sewer	395	584	294
Repairs and maintenance	49,000	23,172	30,644
Supplies	500	1,423	769
Wages, travel allowance and benefits	94,048	95,275	88,032
	195,343	177,087	166,801
Other			
Amortization of tangible capital assets	-	105,369	105,400
Interest on advances from the Town of Souris	-	12,064	11,346
Interest on long term debt	-	37,813	50,187
	-	155,246	166,933
	275,931	416,955	412,357
Operating surplus (deficit)	102,569	(26,102)	(32,932)
Other revenues			
Government transfers for capital (Note 7)	-	815	2,712
Annual surplus	$ 102,569	$ (25,287)	$ (30,220)

Notes 1 - 14 are an integral part of these consolidated financial statements

TOWN OF SOURIS

Statement of Operations - Water (Schedule 6)

Year Ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
Revenues			
Fire protection and water supply	$ 96,700	$ 111,005	$ 96,801
Water rates			
Domestic	79,000	78,885	78,571
Metered	72,000	78,259	73,397
Interest	1,000	1,314	1,319
Miscelleneous	500	(384)	(857)
	249,200	269,079	249,231
Expenditures			
Administration			
Council fees	5,862	5,863	4,668
Insurance	9,250	7,538	9,141
Island Regulatory and Appeals Commission	3,900	7,826	4,359
Office	4,100	4,812	5,122
Professional fees	4,500	2,117	2,323
Property tax	875	1,063	943
Rent	1,800	1,800	1,800
Telephone	600	538	475
Wages and wage levies	49,700	53,065	49,792
	80,587	84,622	78,623
Operating			
Backhoe	3,000	3,827	3,628
Electricity	40,000	37,028	40,397
Garage			
Fuel	2,750	3,886	2,584
Insurance	2,000	1,462	1,767
Property tax	500	985	375
Repairs	750	363	190
Telephone	-	324	-
Utilities	1,900	2,153	1,554
Water and sewer	395	584	294
Repairs and maintenance	48,700	34,645	54,286
Supplies	500	1,423	769
Wages, travel allowance and benefits	94,048	92,905	85,363
	194,543	179,585	191,207
Other			
Amortization of tangible capital assets	-	45,260	45,260
Interest on advances from the Town of Souris	-	12,064	11,346
Interest on long term debt	-	6,454	6,612
	-	63,778	63,218
	275,130	327,985	333,048
Operating surplus (deficit)	(25,930)	(58,906)	(83,817)
Other revenues			
Government transfers for capital (Note 7)	-	50	6,297
Annual surplus (deficit)	$ (25,930)	$ (58,856)	$ (77,520)

Notes 1 - 14 are an integral part of these consolidated financial statements

TOWN OF SOURIS

Schedules to Consolidated Financial Statements **(Schedule 7)**
Segment Disclosures
Year Ended March 31, 2026

	Town	Sewer	Water	Elimination	Consolidated 2026
Revenues					
Property taxes	$ 992,516	$ -	$ -	$ -	$ 992,516
Municipal grant	318,997	-	-	-	318,997
Fire dues	243,225	-	-	-	243,225
Matthew MacLean building rent	54,916	-	-	-	54,916
Other	109,224	1,474	(384)	(3,600)	106,714
Interest	43,944	-	1,314	(24,129)	21,129
Beachfront rentals	27,783	-	-	-	27,783
Sportsplex contribution	12,592	-	-	-	12,592
Sewer	-	389,379	-	(4,858)	384,521
Water	-	-	157,144	(1,602)	155,542
Fire protection and water supply	-	-	111,005	(111,005)	-
	1,803,197	390,853	269,079	(145,194)	2,317,935
Expenditures					
Salaries and benefits	410,287	154,200	151,833	-	716,320
Goods and services	1,024,890	107,509	112,374	(121,065)	1,123,708
Amortization of tangible capital assets	414,726	105,369	45,260	-	565,355
Interest	7,103	49,877	18,518	(24,129)	51,369
Amortization of intangible capital assets	4,676	-	-	-	4,676
	1,861,682	416,955	327,985	(145,194)	2,461,428
Operating surplus (deficit)	(58,485)	(26,102)	(58,906)	-	(143,494)
Other revenues	1,268,089	815	50	-	1,268,954
Annual surplus (deficit)	$ 1,209,604	$ (25,287)	$ (58,856)	$ -	$ 1,125,460

Notes 1 - 14 are an integral part of these consolidated financial statements

MRSB

TOWN OF SOURIS

Schedules to Consolidated Financial Statements (Schedule 8)

Segment Disclosures

Year Ended March 31, 2025

	Town	Sewer	Water	Elimination	Consolidated 2025
Revenues					
Property taxes	$ 884,858	$ -	$ -	$ -	$ 884,858
Municipal grant	286,269	-	-	-	286,269
Fire dues	249,260	-	-	-	249,260
Matthew MacLean building rent	49,616	-	-	-	49,616
Interest	54,401	-	1,319	(22,693)	33,027
Other	50,304	1,679	(857)	(3,600)	47,526
Beachfront rentals	23,500	-	-	-	23,500
Sportsplex contribution	11,643	-	-	-	11,643
Sewer	-	377,746	-	(4,026)	373,720
Water	-	-	151,968	(1,328)	150,640
Fire protection and water supply	-	-	96,801	(96,801)	-
	1,609,851	379,425	249,231	(128,448)	2,110,059
Expenditures					
Salaries and benefits	354,287	142,492	139,823	-	636,602
Goods and services	939,496	102,932	130,007	(105,755)	1,066,680
Amortization of tangible capital assets	376,425	105,400	45,260	-	527,085
Interest	3,137	61,533	17,958	(22,693)	59,935
Amortization of intangible capital assets	4,676	-	-	-	4,676
	1,678,021	412,357	333,048	(128,448)	2,294,978
Operating surplus (deficit)	(68,170)	(32,932)	(83,817)	-	(184,919)
Other revenues	126,775	2,712	6,297	-	135,784
Annual surplus (deficit)	$ 58,605	$ (30,220)	$ (77,520)	$ -	$ (49,135)

Notes 1 - 14 are an integral part of these consolidated financial statements