



Report of the Independent Auditors' on the Summary Financial Statements

To the Council
Town of Norquay

Opinion

The summary financial statements, which comprise the summary Statement of Financial Position as at December 31, 2025, the summary Statements of Operations, Changes in Net Financial Assets and Cash Flow for the year then ended, and related notes, are derived from the audited financial statements of Town of Norquay for the year ended December 31, 2025. We expressed a qualified audit opinion on those financial statements in our report dated May 14, 2026.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in note 1. However, the summary financial statements are misstated to the equivalent extent as the audited financial statements of Town of Norquay for the year ended December 31, 2025.

Summary Financial Statements

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

The Audited Financial Statements and Our Report Thereon

We expressed a qualified audit opinion on the audited financial statements in our report dated May 14, 2026.

CAS 501 requires the auditor to obtain sufficient appropriate audit evidence regarding the existence and condition of inventory. Included on the statement of financial position in stock and supplies is \$38,261 (F2024 \$39,216) of aggregate inventory; we were unable to obtain sufficient appropriate audit evidence regarding the existence and valuation of the aggregate inventory held by the town. As such, we are unable to determine the impact on the current or prior year's statement of financial position, or the impacts on expenses, surplus and accumulated surplus of the current or prior year.

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

Management's Responsibility for the Summary Financial Statements

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

Auditors' Responsibility

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

Baker Tilly SK LLP

A handwritten signature in black ink that reads "Baker Tilly SK LLP".

Yorkton, SK
May 14, 2026

Town of Norquay
 Norquay, Saskatchewan
 Statement of Financial Position as at December 31, 2025

Statement 1

	2025	2024
Assets		
Financial Assets		
Cash and cash equivalents	663,294	515,119
Taxes receivable - municipal	34,275	32,705
Other accounts receivable	64,646	37,089
Total Financial Assets	762,215	584,913
Liabilities		
Accounts payable	125,448	53,713
Accrued liabilities payable	24,171	9,207
Deferred revenue	529,992	94,238
Long-term debt	380,703	100,000
Total Liabilities	1,060,314	257,158
Net Financial Assets (Debt)	(298,099)	327,755
Non-Financial Assets		
Tangible capital assets	3,402,948	2,605,787
Prepayments and deferred charges	16,625	7,656
Stock and supplies	51,470	82,230
Assets held for sale	694	506
Total Non-Financial Assets	3,471,737	2,696,179
Accumulated Surplus	\$ 3,173,638	\$ 3,023,934

Town of Norquay
Statement of Operations
For the year ended December 31, 2025

Statement 2

	2025 Budget	2025 Actual	2024 Actual
Revenues			
Tax revenue	490,517	488,699	476,273
Other unconditional revenue	125,830	125,834	118,250
Fees and charges	320,610	346,310	328,245
Conditional grants	11,360	11,367	-
Tangible capital asset sales - gain (loss)	-	(68)	-
Land sales - gain (loss)	-	-	(14,122)
Investment income	9,540	7,428	13,367
Provincial/Federal capital grants and contributions	980,990	83,954	36,264
Total Revenues	<u>1,938,847</u>	<u>1,063,524</u>	<u>958,277</u>
Expenses			
General government services	174,800	174,760	167,865
Protective services	35,600	35,362	35,062
Transportation services	290,140	236,848	210,757
Environmental and public health services	107,290	105,232	103,710
Recreation and cultural services	38,110	31,247	43,589
Utilities services	356,620	330,371	339,335
Total Expenses	<u>1,002,560</u>	<u>913,820</u>	<u>900,318</u>
Annual Surplus of Revenue over Expenses	936,287	149,704	57,959
Accumulated Surplus, Beginning of Year	<u>3,023,934</u>	<u>3,023,934</u>	<u>2,965,975</u>
Accumulated Surplus, End of Year	<u>\$ 3,960,221</u>	<u>\$ 3,173,638</u>	<u>\$ 3,023,934</u>

Town of Norquay
Statement of Change in Net Financial Assets
For the year ended December 31, 2025

Statement 3

	2025 Budget	2025 Actual	2024 Actual
Surplus	<u>936,287</u>	<u>149,704</u>	<u>57,959</u>
(Acquisition) of tangible capital assets	-	(928,199)	(44,895)
Amortization of tangible capital assets	-	127,010	145,424
Proceeds on disposal of tangible capital assets	-	3,960	-
Loss on the disposal of tangible capital assets	<u>-</u>	<u>68</u>	<u>-</u>
Surplus (Deficit) of Capital Expenses over Expenditures	<u>-</u>	<u>(797,161)</u>	<u>100,529</u>
(Acquisition) of supplies inventories	-	-	(31,261)
(Acquisition) of prepaid expense	-	(8,967)	(3,891)
Consumption of supplies inventory	-	30,761	-
(Acquisition) of other non-financial assets	-	(190)	-
Use (disposal) of other non-financial assets	<u>-</u>	<u>-</u>	<u>365</u>
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	<u>-</u>	<u>21,604</u>	<u>(34,787)</u>
Increase (Decrease) in Net Financial Assets	936,287	(625,853)	123,701
Net Financial Assets, beginning of year	<u>327,757</u>	<u>327,757</u>	<u>204,056</u>
Net Financial Assets (Debt), End of Year	<u>\$ 1,264,044</u>	<u>\$ (298,096)</u>	<u>\$ 327,757</u>

Town of Norquay
Statement of Cash Flow
For the year ended December 31, 2025

Statement 4

	2025	2024
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	149,704	57,959
Amortization	127,010	145,424
Loss on disposal of tangible capital assets	68	-
	276,782	203,383
Change in Assets/Liabilities		
Taxes receivable - municipal	(1,570)	2,575
Other receivables	(27,558)	(4,753)
Land for resale	(189)	367
Accounts payable and accrued liabilities	71,734	30,470
Deferred revenue	435,755	23,200
Accrued liabilities payable	14,963	2,887
Stock and supplies for use	30,761	(31,261)
Prepayments and deferred charges	(8,967)	(3,891)
Cash Provided by Operating Transactions	791,711	222,977
Capital:		
Acquisition of capital assets	(928,199)	(44,895)
Proceeds from the disposal of capital assets	3,960	-
Cash Applied to Capital Transactions	(924,239)	(44,895)
Investing:		
Acquisition in investment	-	(361)
Financing:		
Long-term debt issued	350,000	-
Long-term debt repaid	(69,297)	(50,000)
Cash Provided by (Applied to) Financing Transactions	280,703	(50,000)
Change in Cash and Cash Equivalents During the Year	148,175	127,721
Cash and cash equivalents, beginning of year	515,119	387,398
Cash and Cash Equivalents, End of Year	\$ 663,294	\$ 515,119

Town of Norquay
Notes to Summary Financial Statements
For the year ended December 31, 2025

1. Basis of the Summary Financial Statements

The following criteria have been applied by management in the preparation of these summary financial statements:

- (a) The information in the summary financial statements is in agreement with the related information in the municipality's December 31, 2025 audited financial statements; and
- (b) The summary financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the audited financial statements, including the notes thereto.
- (c) The audited financial statements can be obtained by request at the town office.
- (d) The detailed notes included in the audited financial statements are not included in the summary financial statements as these notes are available in the audited financial statements which can be obtained as described above.