RESORT VILLAGE OF MANITOU BEACH

Auditor's Report

Summarized Consolidated Financial Statements

December 31, 2025

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Resort Village of Manitou Beach:

Management is responsible for the preparation and presentation of the accompanying summarized consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Council is composed of elected officials who are not employees of the Resort Village. 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 Resort Village's external auditors.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

Mayor **Administrator**

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

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CHARTERED PROFESSIONAL ACCOUNTANTS

Bill Jensen, CPA, CA*
Tyler Olafson, CPA, CA*
Jared Udchic, CPA*
Dylan Peace, CPA*
*denotes professional corporation

REPORT OF THE INDEPENDENT AUDITOR ON SUMMARY FINANCIAL STATEMENTS

To the **Mayor** and Council of **Resort Village of Manitou Beach**

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at **December 31, 2025**, the summary consolidated statement of operations, summary consolidated statement of changes in net financial assets, summary consolidated statement of cash flows, and summary consolidated statement of remeasurement gains and losses for the year then ended are derived from the audited consolidated financial statements of **Resort Village of Manitou Beach** as at **December 31, 2025**.

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

Summary Consolidated Financial Statements

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

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an qualified audit opinion on the audited consolidated financial statements in our report dated September 23, 2026 due to a scope limitation.

Management`s Responsibility for the Summarized Statements

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

Auditor`s Responsibility

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

Saskatoon, Saskatchewan
September 23, 2026

Jensen Stromberg
Chartered Professional Accountants

RESORT VILLAGE OF MANITOU BEACH

Statement 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2025
with comparative figures for 2024

	2025	2024
ASSETS		
Financial Assets:		
Cash and Cash Equivalents	$ 626,443	677,494
Investments	-	-
Taxes Receivable - Municipal	161,717	109,249
Other Accounts Receivable	262,453	233,730
Assets Held for Sale	3,171	16,011
Long-Term Receivables	-	-
Debt Charges Recoverable	-	-
Loans and Notes Receivable	-	-
Total Financial Assets	1,053,784	1,036,484
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable	269,199	215,049
Accrued Liabilities Payable	-	-
Deposits	51,166	60,753
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
	-	-
Long-Term Debt	715,416	903,333
Lease Obligations	-	-
Total Liabilities	1,035,781	1,179,135
NET FINANCIAL ASSETS (DEBT)	18,003	(142,651)
Non-Financial Assets:		
Tangible Capital Assets	10,824,534	11,020,652
Intangible Capital Assets	-	-
Prepaid and Deferred Charges	35,777	32,157
Stock and Supplies	-	-
Total Non-Financial Assets	10,860,311	11,052,809
Accumulated Surplus (Deficit)	$ 10,878,314	10,910,158
Accumulated Surplus (Deficit) is comprised of:		
Accumulated Surplus (Deficit) excluding remeasurement gains (losses)	10,878,314	10,910,158
Accumulated remeasurement gains (losses) (Statement 5)	-	-

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

RESORT VILLAGE OF MANITOU BEACH

Statement 2

CONSOLIDATED STATEMENT OF OPERATIONS

Year ended December 31, 2025
with comparative figures for 2024

	2025 Budget	2025 Actual	2024 Actual
Revenues:			
Tax Revenue	$ 1,144,580	1,144,114	1,213,917
Other Unconditional Revenue	109,350	109,326	102,753
Fees and Charges	585,760	631,506	625,703
Conditional Grants	95,290	5,722	77,611
Tangible Capital Asset Sales - Gain (Loss)	-	10,000	-
Land Sales - Gain (Loss)	26,000	-	-
Investment Income	5,700	9,533	10,272
Commissions	-	-	-
Restructurings	-	-	-
Other Revenues	40,300	41,650	50,718
Provincial/Federal Capital Grants and Contributions	31,200	33,779	73,343
Total Revenues	2,038,180	1,985,630	2,154,317
Expenses:			
General Government Services	352,970	497,050	552,591
Protective Services	54,590	53,551	53,067
Transportation Services	316,710	520,699	524,377
Environmental and Public Health Services	36,630	31,134	26,040
Planning and Development Services	161,600	78,109	227,819
Recreation and Cultural Services	219,310	222,135	201,203
Utility Services	572,890	614,796	533,636
Restructurings	-	-	-
Total Expenses	1,714,700	2,017,474	2,118,733
Annual Surplus (Deficit) of Revenues over Expenses	323,480	(31,844)	35,584
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) - Beginning of Year	10,910,158	10,910,158	10,874,574
Accumulated Surplus (Deficit) excluding remeasurement gains (losses) - End of Year	$ 11,233,638	10,878,314	10,910,158

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

RESORT VILLAGE OF MANITOU BEACH

Statement 3

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2025
with comparative figures for 2024

		2025 Budget	2025 Actual	2024 Actual
Annual Surplus (Deficit) of Revenues over Expenses	$	323,480	(31,844)	35,584
(Acquisition) of tangible capital assets		(54,700)	(303,280)	(116,339)
Amortization of tangible capital assets		-	499,398	485,450
Proceeds on disposal of tangible capital assets		-	(10,000)	-
Loss (gain) on disposal of tangible capital assets		-	10,000	-
Transfer of assets/liabilities in restructuring transactions		-	-	-
Surplus (Deficit) of capital expenses over expenditures		(54,700)	196,118	369,111
(Acquisition) of supplies inventories		-	-	-
(Acquisition) of prepaid expenses		-	(35,512)	(31,892)
Consumption of supplies inventories		-	-	-
Use of prepaid expenses		-	31,892	33,878
Surplus (Deficit) of expenses of other non-financial over expenditures		-	(3,620)	1,986
Unrealized remeasurement gains (losses)		-	-	-
Increase (decrease) in Net Financial Assets		268,780	160,654	406,681
Net Financial Assets (Debt) - Beginning of Year		(142,651)	(142,651)	(549,332)
Net Financial Assets (Debt) - End of Year	$	126,129	18,003	(142,651)

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

RESORT VILLAGE OF MANITOU BEACH

Statement 4

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31, 2025
with comparative figures for 2024

Cash provided by (used for) the following activities:	**2025**	**2024**
Operating:		
Annual Surplus (Deficit) of Revenues over Expenses	$ (31,844)	35,584
Amortization of tangible capital assets	499,398	485,450
Loss (gain) on disposal of tangible capital assets	10,000	-
	477,554	521,034
Change in assets/liabilities		
Taxes Receivable - Municipal	(52,469)	97,565
Other Accounts Receivable	(28,724)	(49,520)
Assets Held for Sale	12,840	(15,011)
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	54,154	85,806
Deposits	(9,587)	7,177
Deferred Revenue	-	-
Asset Retirement Obligation	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	-	-
Prepayments and Deferred Charges	(3,621)	1,986
Other	-	-
Cash provided by (applied to) operating transactions	450,147	649,037
Capital:		
Acquisition of tangible capital assets	(303,280)	(116,339)
Proceeds from the disposal of tangible capital assets	(10,000)	-
Cash provided by (applied to) capital transactions	(313,280)	(116,339)
Investing:		
Decrease (increase) in restricted cash or cash equivalents	-	-
Proceeds on disposal of investments	-	-
Decrease (increase) in investments	-	-
Cash provided by (applied to) investing transactions	-	-
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(187,918)	(286,827)
Other financing	-	-
Cash provided by (applied to) financing transactions	(187,918)	(286,827)
Change in Cash and Cash Equivalents	(51,051)	245,871
Cash and Cash Equivalents - Beginning of Year	677,494	431,623
Cash and Cash Equivalents - End of Year	$ 626,443	677,494

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

RESORT VILLAGE OF MANITOU BEACH

Statement 5

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year ended December 31, 2025
with comparative figures for 2024

	2025	2024
Accumulated remeasurement gains (losses) - Beginning of Year	$ -	-
Unrealized gains (losses) attributable to:		
Derivatives	-	-
Equity Investments measured at fair value	-	-
Foreign exchange	-	-
	-	-
Reclassified to the Statement of Operations:		
Derivatives	-	-
Equity Investments measured at fair value	-	-
Reversal of net remeasurements of portfolio investments	-	-
Foreign exchange	-	-
	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains (losses) - End of Year	$ -	-

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

1. SUMMARY FINANCIAL STATEMENTS

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

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

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

a) the summary financial statements include a statement for each statement included in the audited consolidated financial statements;

b) information in the summary consolidated financial statements agrees with the related information in the related audited consolidated financial statements;

c) major subtotals, totals and comparative information from the audited consolidated financial statements are included; and

d) the summary financial statements contain the information from the audited consolidated financial statements dealing with matters that have a pervasive or otherwise significant effect on the summarized consolidated financial statements.

The audited consolidated financial statements of Resort Village of Manitou Beach are available upon request by contacting the Resort Village.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements are prepared using the accrual basis of accounting using the accounting policies that are described in Note 1 to the Resort Village's audited consolidated financial statements in accordance with the local government accounting standards established by the Public Sector Accounting Board. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

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