



THE VILLAGE OF

N A K U S P

2025 Statement of Financial Information

(SOFI)



FIR, Schedule 1, Section 4
SCHEDULE OF DEBT

Information on all long term debt is included in the Audited Financial Statements of the Village of Nakusp

FIR, Schedule 1, Section 5
SCHEDULE OF GURANTEE AND INDEMNITY AGREEMENTS

This organization has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation during the 2025 fiscal year.



FIR Schedule 1 Section 6

SCHEDULE OF ELECTED OFFICIAL REMUNERATION

Name	Position	Remuneration	Expenses	Total
Dawn Edwards	Councillor	\$ 10,410	\$ 5,683	\$ 16,093
Mason Hough	Councillor	10,410		10,410
Tina Knooihuizen	Councillor	10,410	5,456	15,866
Aidan McLaren-Caux	Councillor	10,410	625	11,035
Tom Zeleznik	Mayor	19,314	11,090	30,404
Total Elected Officials		\$ 60,954	\$ 22,854	\$ 83,808

SCHEDULE OF EMPLOYEE REMUNERATION

Name	Position	Remuneration	Expenses	Total
Taylor Cooke	Public Works Utility Operator	\$ 106,926	\$ 3,962	\$ 110,888
Cavan Gates	Director of Operations	95,105	5,594	100,699
Cory Jackson	Public Works Foreman	126,640	1,216	127,856
Wayne Robinson	Chief Administrative Officer	148,881		148,881
Mark Tennant	Director of Finance	110,621	3,643	114,264
Zachary Wethal	Arena Parks Foreman	83,109	1,264	84,373
Total Employees earning \$75,000 or more		671,282	15,679	686,961
Total Employees earning less than \$75,000		1,504,147	13,847	1,517,994
Total Employees		\$2,175,429	\$29,526	\$2,204,955

Expenses above for both Elected Officials and Employees include, among other expenses, the cost of attending meetings, courses, seminars, and promotional activities required by the Village of Nakusp.



FIR Schedule 1 Section 6 (continued)

SCHEDULE RECONCILING REMUNERATION TO FINANCIAL STATEMENTS

Reconciliation

Total remuneration – elected officials	\$ 60,954
Total remuneration – employees	\$2,175,429
Subtotal	<u>\$2,236,383</u>
Reconciling of Remuneration to Financial Statements:	
Employee benefits, settlements, and accruals	\$ 515,443
Capitalized labour costs	(68,835)
Total after reconciling items	<u>\$2,682,991</u>
Total per Financial Statements, Schedule B	<u>\$2,682,991</u>

FIR, Schedule 1, Section 6(7)

STATEMENT OF SEVERANCE AGREEMENTS

There was no severance agreements made between the Village of Nakusp and its non-unionized employees during 2025.



FIR Schedule 1 Section 7

SCHEDULE SHOWING PAYMENTS TO SUPPLIERS

Supplier Name	Amount Paid
1144621 BC Ltd. (Selkirk Planning & Design)	\$ 71,121
Acera Insurance Services Ltd.	103,584
Andrew Sheret Limited	34,990
Aqua-bility Projects Ltd	152,775
Arrow Lakes Aggregates Ltd.	35,936
Arrow Lakes Electric Ltd.	32,387
Associated Fire Safety Equipment	31,450
BC Hydro	285,630
Canada Life	167,265
Canadian Industrial Pumps Ltd.	69,336
CanGas Propane Inc.	36,317
CARO Analytical Services	38,029
Castle Fuels (2008) Inc.	45,584
CentralSquare Canada Software Inc.	26,764
Crescent Bay Construction Ltd.	32,296
CUPE LOCAL 2450	32,676
Doane Grant Thornton LLP	49,099
Eagle Mountain Industries Ltd.	54,429
EHD Engineering Ltd.	44,683
Endress+Hauser Canada Ltd.	33,223
HUB International	29,102
Hughes Diversified Refrigeration Ltd.	133,161
Hugill Benjamin	37,259
Inland Allcare	99,280
MCL Group Ltd.	445,625
Minister of Finance	598,806
Municipal Pension Plan	313,224
Nakusp Home Building Centre	48,210
Northwest Safework Solutions Inc.	58,384
Ray Nikkel Designs	46,412
Receiver General for Canada	575,034
Regional District of Central Kootenay	133,132
Regional District of Central Kootenay	783,837
Sensible Solutions Inc.	59,345
Simolo Customs LTD	33,259
SPEEDPRO SIGNS	41,653
Stephen Regulatory Specialists Ltd.	60,037
Terus Construction	188,810
Titan Environmental Containment Ltd.	40,052
Tratech Mechanical Ltd.	54,480
True North Forestry Consulting Ltd. Inc. No.	53,183
U.S. Bank National Association	166,329
West Kootenay Boundary Regional Hospital	76,696
WorkSafe BC	87,280
Total payments to suppliers with aggregate payments > \$25,000	5,540,162
Total paid to suppliers with aggregate payments < \$25,000	1,134,786
Total payments made during 2025	\$ 6,674,948



Reconciliation of Payments to Suppliers of Goods and Services:

The Village of Nakusp prepares the schedules of payments based on actual disbursements processed through its accounts payable system. This provides assurance on completeness as the reported amounts are reconciled to the financial system cheque register and electronic funds transfer records. The schedule of payments is recorded on a 'cash basis' and therefore this figure will differ significantly from the expenditures in the consolidated financial statements which are recorded on an 'accrual basis' resulting in timing differences. Furthermore, there are disbursements which are not considered expenditures, including payments made to other taxing authorities, employee payroll deductions, and debt principal repayments. Conversely, there are expenditures which do not involve an actual disbursement (in addition to accruals), such as holdbacks.

FIR Schedule 1 Section 7 (2)(b)

SCHEDULE SHOWING GRANT AND CONTRIBUTION PAYMENTS

Grant Payee	Amount Paid
Nakusp and Area Development Board	10,000
Nakusp Chamber of Commerce (Visitor Centre)	10,000
Total of all Grants	\$ 20,000



FIR Schedule 1, Section 9

STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

The Council of the Village of Nakusp, at the June 22, 2026, regular meeting, approved by resolution the schedule and statements included in this Statement of Financial Information, produced under *the Financial Information Act*.

Mark Tennant
Director of Finance/Deputy CAO

Tom Zeleznik
Mayor

Financial Statements of the

VILLAGE OF NAKUSP

December 31, 2025

VILLAGE OF NAKUSP
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December 31, 2025

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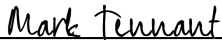
RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation of the accompanying financial statements. The financial statements have been prepared in accordance with the accounting principles disclosed in note 2 to the financial statements and include amounts that are based on estimates and judgments. Management believes that the financial statements fairly present the Village of Nakusp's financial position and results of operations. The integrity of the information presented in the financial statements, including estimates and judgments relating to matters not concluded by fiscal year-end, is the responsibility of management. The financial statements have been approved by Council.

Management has established and maintained appropriate systems of internal control including policies and procedures, which are designed to provide reasonable assurance that the Village of Nakusp's assets are safeguarded and that reliable financial records are maintained to form a proper basis for preparation of the financial statements.

The independent external auditors, Doane Grant Thornton LLP, Chartered Professional Accountants, have been appointed by Council to express an opinion as to whether the financial statements present fairly, in all material respects, the Village of Nakusp's financial position, results of operations, and changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards. The report of Doane Grant Thornton LLP, Chartered Professional Accountants, follows and outlines the scope of their examination and their opinion on the financial statements.

DocuSigned by:



Mark Tennant 18DBEB953CD2A404...

Director of Finance / Deputy Chief Administrative Officer

Independent auditor's report

Doane Grant Thornton LLP
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To the Mayor and Council of the
Village of Nakusp

Opinion

We have audited the financial statements of the Village of Nakusp (the "Village"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village of Nakusp as at December 31, 2025, and its results of operations, its changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 Financial Statements* section of our report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. Schedule C and D are presented for the purposes of additional information and are not a required part of the financial statements. Such information has not been subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion thereon.

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

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report (continued)

In preparing the financial statements, management is responsible for assessing the Village'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 Village or to cease operations, or has no realistic alternative but to do so.

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

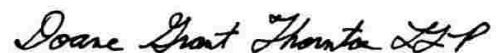
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Village'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 Village'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 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 Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.



Chartered Professional Accountants

Castlegar, BC
May 11, 2026

VILLAGE OF NAKUSP
STATEMENT OF FINANCIAL POSITION
As At December 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 2,501,235	\$ 1,686,806
Investments (note 3)	8,116,785	7,868,961
Accounts receivable (note 4)	773,140	1,190,487
MFA debt reserve cash deposits (note 5)	27,157	25,389
Investment in NACFOR (note 6)	2,082,440	1,808,646
	13,500,757	12,580,289
LIABILITIES		
Accounts payable and accrued liabilities (note 7)	453,669	420,935
Deferred revenue (note 8)	638,769	877,555
Asset retirement obligations (note 9)	2,027,672	1,952,779
Deposits	51,307	45,136
MFA long-term debt (note 10)	1,050,525	1,063,954
	4,221,942	4,360,359
NET FINANCIAL ASSETS	9,278,815	8,219,930
NON-FINANCIAL ASSETS		
Prepaid expenses	138,720	129,852
Inventory	43,037	30,326
Tangible capital assets (schedule A)	23,710,304	23,094,113
	23,892,061	23,254,291
ACCUMULATED SURPLUS (note 11)	\$ 33,170,876	\$ 31,474,221
CONTINGENT LIABILITIES (note 14)		
CEMETERY CARE TRUST FUND (note 17)		
CONTRACTUAL OBLIGATIONS (note 21)		

DocuSigned by:

Mark Tennant

Mark Tennant BEB953CD2A404...

Director of Finance / Deputy Chief Administrative Officer

The accompanying notes are an integral part of these financial statements

VILLAGE OF NAKUSP
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2025

	2025 Budget (Note 16)	2025 Actual	2024 Actual
REVENUE			
Government transfers (note 15)	\$ 2,561,199	\$ 2,013,127	\$ 2,522,128
Municipal property and parcel taxes (note 13)	1,540,447	1,540,773	1,432,766
Hot Springs fees and other revenue	1,140,000	1,243,964	1,140,128
Water user fees and charges	621,912	669,977	663,433
General fees, charges, and other	587,925	640,740	617,730
Sewer user fees and charges	703,358	639,129	579,346
Interest and actuarial income	100,000	288,541	420,984
Utility taxes and grants-in-lieu of taxes (note 13)	129,000	142,127	131,775
Gain on sale of tangible capital assets	-	131,917	62,000
Interest and penalties on taxes	35,100	44,371	43,361
Equity income (loss) from NACFOR (note 6)	-	523,794	(164,320)
	7,418,941	7,878,460	7,449,331
EXPENSES			
General government	1,452,331	1,283,136	1,188,415
Hot springs and chalets	1,118,732	1,166,906	954,743
Parks and recreation	960,462	916,111	909,500
Protective services	422,514	170,633	205,057
Public works and transportation	770,617	658,833	705,234
Sewer services	472,717	330,402	297,556
Water services	400,323	357,502	328,691
Interest on debt	57,391	55,466	58,605
Amortization	1,045,000	1,165,204	1,151,511
Accretion expense	-	77,612	74,746
	6,700,087	6,181,805	5,874,058
ANNUAL SURPLUS	718,854	1,696,655	1,575,273
ACCUMULATED SURPLUS, BEGINNING OF YEAR	31,474,221	31,474,221	29,898,948
ACCUMULATED SURPLUS, END OF YEAR	\$ 32,193,075	\$ 33,170,876	\$ 31,474,221

The accompanying notes are an integral part of these financial statements

VILLAGE OF NAKUSP
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2025

	2025 Budget	2025 Actual	2024 Actual
ANNUAL SURPLUS	\$ 718,854	\$ 1,696,655	\$ 1,575,273
Acquisition of tangible capital assets	(4,421,657)	(1,795,277)	(1,838,569)
Decrease (increase) in tangible capital assets due to asset retirement obligations	-	2,719	(1,211,973)
Amortization	1,045,000	1,165,204	1,151,511
Gain on sale of tangible capital assets	-	(131,917)	-
Proceeds on sale of tangible capital assets	-	143,080	-
	(2,657,803)	1,080,464	(323,758)
Net change in inventory and prepaid expenses	-	(21,579)	(19,124)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(2,657,803)	1,058,885	(342,882)
NET FINANCIAL ASSETS, BEGINNING OF YEAR	8,219,930	8,219,930	8,562,812
NET FINANCIAL ASSETS, END OF YEAR	\$ 5,562,127	\$ 9,278,815	\$ 8,219,930

The accompanying notes are an integral part of these financial statements

VILLAGE OF NAKUSP
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2025

	2025	2024
OPERATING TRANSACTIONS		
Annual surplus	\$ 1,696,655	\$ 1,575,273
Non-cash items included in annual surplus		
Amortization	1,165,204	1,151,511
Accretion expense	77,612	74,746
Actuarial gain on MFA long-term debt	(33,993)	(31,632)
Gain on sale of tangible capital assets	(131,917)	(62,000)
Equity (income) loss from NACFOR	(523,794)	164,320
Changes in non-cash operating balances		
Accounts receivable	417,347	(626,159)
MFA debt reserve cash deposits	(1,768)	(854)
Prepaid expenses and inventory	(21,579)	(19,124)
Accounts payable and accrued liabilities	32,734	(99,402)
Deferred revenue and deposits	(232,615)	243,350
Cash Provided by Operating Transactions	2,443,886	2,370,029
CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	(1,795,277)	(1,838,569)
Proceeds on sale of tangible capital assets	143,080	62,000
Cash Applied to Capital Transactions	(1,652,197)	(1,776,569)
FINANCING TRANSACTIONS		
Repayment of long-term debt	(79,436)	(74,468)
Issuance of long-term debt	100,000	-
INVESTING TRANSACTIONS		
Net change in investments	(247,824)	(384,121)
Dividends received from NACFOR	250,000	-
INCREASE IN CASH	814,429	134,871
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,686,806	1,551,935
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,501,235	\$ 1,686,806

The accompanying notes are an integral part of these financial statements

The notes to the financial statements are an integral part of the statements. They explain the significant accounting and reporting policies underlying these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the financial statements alone.

1. NATURE OF THE ENTITY

The Village of Nakusp (the "Village") is incorporated under the Local Government Act of British Columbia and is subject to the provisions of the Community Charter and legislation under the Province. The Village's principal activities include the provision of local government services to residents of the incorporated area.

The financial statements are the responsibility of management and prepared in accordance with Canadian public sector accounting standards ("PSAS"). The preparation of these financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the Village of Nakusp.

Basis of presentation

The Financial Statements of the Village comprise the Village's Operating, Capital, and Reserve funds. All inter-fund balances have been eliminated.

- i) **Operating Funds:** These funds include the General, Hot Springs, Waterworks Utility, and Sewer Utility operations of the Village. They are used to record the operating costs of the services provided by the Village.
- ii) **Capital Funds:** These funds include the General, Hot Springs, Waterworks Utility and Sewer Utility Capital funds. They are used to record the acquisition and disposal of property and equipment and their related financing.
- iii) **Reserve Funds:** Reserve funds include statutory reserves restricted by the Community Charter and associated Municipal bylaws and reserves set aside by Council for future expenditures.

Basis of accounting

The Village's financial statements are prepared using the accrual basis of accounting. Revenues are recognized in the year which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and/or the the creation of a legal obligation to pay.

Investment in government business enterprise

The Village's wholly owned subsidiary, the Nakusp & Area Community Forest (2013) Inc. ("NACFOR"), is a government business enterprise, accounted for using the modified equity method. Under this method, the business enterprise's accounting principles are not adjusted to conform with those of the Village. The equity income for the year is recorded as revenue in the Village's statements of operations and the investment in NACFOR is adjusted accordingly.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and equivalents

Cash and equivalents include liquid investments with maturities of three months or less at acquisition.

Investments

Investments are recorded at cost. Investment income is recorded on the accrual basis and recognized when earned.

Tangible capital assets

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put into service. Estimated useful lives are as follows:

Land	not amortized
Buildings and building components	15 - 50 years
Machinery and equipment	5 - 20 years
Furniture and equipment	5 - 20 years
Information technology	3 - 5 years
Vehicles and mobile equipment	5 - 25 years
Infrastructure	15 - 50 years

Contributed tangible capital assets are reported at fair value at the time of donation and are also recorded as revenue.

Inventories consist of supplies for the Village's own use and is recorded at the lower of cost or net replacement value.

Asset Retirement Obligations

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that the Village will be required to settle. The Village recognizes asset retirement obligations when there is a legal obligation to incur retirement costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities.

Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset. Subsequently, the asset retirement costs are allocated to expenses over the useful life of the tangible capital asset. The obligation is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and for revisions to either the timing or the amount of the original estimate of the undiscounted cash flows or the discount rate.

Municipal pension plan

The Village's pension plan follows the guidelines of the Municipal Pension Plan which is administered by the Province of British Columbia for all British Columbia municipalities. The Village and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers is responsible for administering the plan, including investment assets and administration of benefits. The plan is a multi-employer defined benefit plan.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the year in which it is used for the specified purpose.

Revenue Recognition

Municipal Property Taxation

Taxation levies for Village services are recognized as revenue at the time of issuing the property tax notices for the fiscal year. Taxation levies imposed by other taxing authorities are not included in these statements.

Sale of Services, User Fees, Charges and Other Revenue

Transactions where goods or services are provided for consideration include performance obligations to a specific payor. Revenue from these transactions is recognized as the performance obligations are satisfied. Transactions without performance obligations are recognized when the revenue is received or receivable.

Government Transfers (conditional and unconditional grants)

Unconditional transfer revenue is recognized when it has been authorized by the transferor. Conditional transfer revenue is recognized when the transfer has been authorized by the transferor and the Village has met all the eligibility criteria, unless the transfer creates a liability (conditions on the use of the funds that have not yet been fulfilled by the Village). Conditional transfers for capital expenditures revenue are recognized when eligible expenditures are incurred by the Village.

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 a site is not in productive use and all the following criteria are met;

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Village is directly responsible or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized at management's estimate of the cost of post remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for the contaminated site. The Village has no liabilities under this standard as at December 31, 2025 and 2024.

Financial Instruments

The Village's financial instruments consist of cash and cash equivalents, accounts receivable, investments, MFA debt reserve cash deposits, accounts payable and accrued liabilities, deposits, and MFA long-term debt which are recorded at cost/amortized cost.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair value are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged, cancelled or expire.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Budget Figures

The budget figures are based on the Five-Year Financial Plan for 2025 - 2029 per Bylaw no. 750, 2025 was adopted May 12, 2025.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring estimates include allowance for doubtful accounts receivable, the useful life of tangible capital assets for amortization, the determination of accrued liabilities, asset retirement obligations, and the provision for contingencies. Actual results could differ from management's best estimates as additional information becomes available in the future.

Future Accounting Pronouncements

Effective January 1, 2027 the Village will adopt the new Conceptual Framework for Financial Reporting in the Public Sector and PS 1202 - Financial Statement Presentation.

Conceptual Framework for Financial Reporting in the Public Sector

The conceptual framework will replace the conceptual components of PS 1000 - Financial Statement Components and PS 1100 - Financial Statement Objectives. This framework defines the nature, function and scope of financial accounting and reporting in the public sector.

Section PS 1202 - Financial Statement Presentation

This standard will replace PS 1201- Financial Statement Presentation. It includes changes to the statement of financial position to present financial assets, non-financial assets, total assets, financial liabilities, non-financial liabilities, total liabilities and net assets/net liabilities. There will also be a separate statement of changes in net assets or net liabilities (formerly known as accumulated surplus), and the addition of a statement of net financial assets or liabilities that present a revised net financial assets or liabilities (formerly known as net debt) calculation. The principles in this standard are based on the concepts outlined in the Conceptual Framework, ensuring consistency and transparency in financial reporting.

3. INVESTMENTS

Investments consists of the following funds:

	2025	2024
CIBC High Interest Savings	\$ 6,265,222	\$ 6,058,979
CIBC Flexible GIC Funds	1,261,734	1,236,685
MFA Money Market Fund	582,753	566,471
MFA Short-Term Bond Fund	4,206	4,047
MFA Intermediate Fund	2,870	2,779
	\$ 8,116,785	\$ 7,868,961

Investments in GIC's are comprised of term deposits with maturity dates ranging from February 2026 through December 2026 and earn interest rates between 2% and 3.15% (2024 - 2.5% and 3.25%). High-interest savings earn interest at variable rates, with the rate at December 31, 2025 being 2.8% (2024 - 4.3%)

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2025

4. ACCOUNTS RECEIVABLE

	2025	2024
Municipal property taxes	\$ 307,443	\$ 210,077
Government and agency grants	264,018	704,052
Sewer user fees	48,439	46,984
Water user fees	51,443	49,145
GST rebate	22,437	40,081
Other	79,360	140,148
	\$ 773,140	\$ 1,190,487

5. MUNICIPAL FINANCE AUTHORITY (MFA) DEBT RESERVE DEPOSITS

The Municipal Finance Authority of British Columbia (“MFA”) provides capital financing for regional districts and their member municipalities. The MFA is required to establish a Debt Reserve Fund. The MFA must then use this fund if at any time there are insufficient funds to meet payments on its obligations.

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund Cash Deposit, less administrative expenses, becomes an obligation of MFA to the member municipalities through the regional districts. Upon the maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the municipality, including interest earned. Use of the Cash Deposit is restricted by legislation. The detail of the cash deposits and demand notes at year-end are as follows:

	Demand Notes	Cash Deposits	2025	2024
General and Hot Springs Funds	\$ 28,234	\$ 18,207	\$ 46,441	\$ 44,933
Sewer and Water Funds	14,432	8,950	23,382	23,122
	\$ 42,666	\$ 27,157	\$ 69,823	\$ 68,055

The cash portion of the Debt Reserve Fund is recognized as an asset in the financial statements. The demand notes are contingent liabilities and are not recorded in the financial statements.

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2025

6. INVESTMENT IN NACFOR

Nakusp & Area Community Forest (2013) Inc. is a wholly owned subsidiary that was created for the purpose of managing a timber license in the Nakusp area.

The Village accounts for its investment in this government business enterprise using the modified equity method. The condensed financial information of this investment for the year ended December 31, 2025 with comparative figures for December 31, 2024 are as follows:

	2025	2024
Assets		
Current assets	\$ 737,674	\$ 808,380
Long-term assets	2,065,420	1,640,674
	<u>2,803,094</u>	<u>2,449,054</u>
Liabilities		
Current liabilities	366,654	293,068
Silviculture accrual	354,000	309,000
Other long term liabilities	-	38,340
	<u>720,654</u>	<u>640,408</u>
Shareholder equity	<u>2,082,440</u>	<u>1,808,646</u>
Results of operations, net income (loss) for the year	<u>523,794</u>	<u>(164,320)</u>

During the year, the Village received \$250,000 in dividends (2024 - \$nil).

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Wages and benefits payable	\$ 201,972	\$ 212,357
Trade accounts payable and accrued liabilities	251,697	208,578
	<u>\$ 453,669</u>	<u>\$ 420,935</u>

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2025

8. DEFERRED REVENUE

These funds are externally restricted for the purposes for which they were collected.

	Balance, Beginning of Year	Contributions Received	Transfers / Eligible Expenditures	Balance, End of Year
BC Hydro Recoveries	\$ -	\$ 152,086	\$ (152,086)	\$ -
Columbia Basin Trust Grants	196,868	75,250	(156,961)	115,157
Campground Fees	-	203,813	(199,310)	4,503
Hot Spring Fees	-	569,912	(507,671)	62,241
Other Miscellaneous	64,960	59,956	(62,490)	62,426
Prepaid Taxes and Utility Fees	211,675	211,400	(195,377)	227,698
Provincial Ministry Grants	227,417	226,455	(338,200)	115,672
RDCK Grants	16,250	593,784	(610,034)	-
UBCM Grants	160,385	74,029	(183,342)	51,072
	\$ 877,555	\$ 2,166,685	\$ (2,405,471)	\$ 638,769

9. ASSET RETIREMENT OBLIGATIONS

The Village has recognized asset retirement obligations related to remediating asbestos-containing buildings, remediating asbestos-containing water pipes, decommissioning its wells and decommissioning its marina. The recognition of the asset retirement obligations involved an accompanying increase to buildings, water and hot springs tangible capital assets. The increase in capital assets is amortized on a straight-line basis over the remaining expected useful life of the related assets.

A reconciliation of the aggregate carrying amount of the liability is as follows:

	2025	2024
Opening balance	\$ 1,952,779	\$ 666,061
Initial recognition of expected discounted cash flows	-	1,158,277
Increase due to accretion	77,612	74,746
(Decrease) increase due to change in estimate	<u>(2,719)</u>	<u>53,695</u>
Closing balance	\$ 2,027,672	\$ 1,952,779

The liability is estimated using a present value technique that discounts future expenditures. The discount rate used was based on long-term financing rates with MFA of 3.98% (2024: 3.98%). The total undiscounted expenditures and the time period over which they are expected to be incurred is as follows:

	2025
2026	\$ 86,974
2027	13,506
2028	13,911
2029	454,934
2030	14,758
thereafter	<u>2,291,245</u>
	\$ 2,875,328

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2025

10. LONG-TERM DEBT

	Balance, Beginning of Year	Additions	Principal Payments	Actuarial Adjustment	Balance, End of Year
General Fund					
MFA issue 126 bylaw 648	\$ 150,133	\$ -	\$ 10,109	\$ 4,370	\$ 135,654
MFA issue 130 bylaw 648	59,681	-	3,517	1,512	54,652
MFA issue 117 bylaw 638	47,458	-	4,044	2,160	41,254
MFA issue 167 bylaw 740	-	100,000	-	-	100,000
MFA equipment loan	212,981	-	19,433	-	193,548
	470,253	100,000	37,103	8,042	525,108
Hot Springs Fund					
MFA issue 117 bylaw 637	311,541	-	26,101	13,946	271,494
Sewer Utility Fund					
MFA issue 145 bylaw 671	50,254	-	2,547	394	47,313
MFA issue 79 bylaw 546	67,574	-	5,628	10,050	51,896
	117,828	-	8,175	10,444	99,209
Water Utility Fund					
MFA issue 145 bylaw 671	164,332	-	8,057	1,561	154,714
Total Long-Term Debt	\$ 1,063,954	\$ 100,000	\$ 79,436	\$ 33,993	\$ 1,050,525

Actuarial adjustments represent interest earned on sinking funds held by the Municipal Finance Authority. Such interest is used to reduce the principal amount of outstanding debt.

The Village's requirements for future repayments of principal on existing debt for the next five years excluding any actuarial gains that may be realized are as follows:

	General Fund	Hot Springs Fund	Sewer Utility Fund	Water Utility Fund	Total
2026	\$ 43,985	\$ 26,101	\$ 8,091	\$ 8,054	\$ 86,231
2027	\$ 31,873	\$ 26,101	\$ 8,091	\$ 8,054	\$ 74,119
2028	\$ 22,891	\$ 26,101	\$ 8,091	\$ 8,054	\$ 65,137
2029	\$ 22,891	\$ 26,101	\$ 2,463	\$ 8,054	\$ 59,509
2030	\$ 22,891	\$ 26,101	\$ 2,463	\$ 8,054	\$ 59,509

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2025

11. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	2025	2024
Unappropriated Surplus		
General Operating Fund	\$ 1,874,896	\$ 1,582,602
Hot Springs Operating Fund	509,680	653,039
Water Operating Fund	710,192	671,835
Sewer Operating Fund	158,728	137,068
	3,253,496	3,044,544
Reserve Fund		
Equipment Reserve	565,337	421,542
Fire Equipment Reserve	445,181	417,208
NACFOR Legacy Fund	735,122	522,459
Community Works Gas Tax Reserve	538,149	573,135
Growing Communities Reserve	1,247,986	1,217,897
LGCAP Reserve	134,352	169,840
Sewer Reserve	1,574,578	1,483,028
Water Reserve	790,716	966,751
Parkland Acquisition Reserve	15,519	15,052
Land Sale Reserve	339,461	197,326
Hot Springs and Chalet Reserve	151,620	156,015
Other Reserves	664,812	403,398
	7,202,833	6,543,651
Equity in Tangible Capital Assets		
General Capital Fund	10,930,039	11,204,297
Hot Springs Capital Fund	990,559	728,561
Water Capital Fund	5,332,931	5,005,196
Sewer Capital Fund	3,378,578	3,139,326
	20,632,107	20,077,380
Investment in NACFOR	2,082,440	1,808,646
TOTAL ACCUMULATED SURPLUS	\$ 33,170,876	\$ 31,474,221

The Unappropriated Surplus is the amount of Accumulated Surplus remaining after deducting the other appropriated surplus balances. It is available to temporarily finance operations until planned revenues (i.e. property taxes, grants, etc.) are received, or for other operating or capital purposes as determined by Council.

The Reserve Fund is Accumulated Surplus that has been set-aside by decision of Council for a specified purpose. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated.

The Investment in NACFOR is equal to the NACFOR investment value on an equity basis. In the normal course of operations this investment will not be available to finance operations, but will be maintained in support of the purposes of the investment.

Equity in Tangible Capital Assets is equal to the tangible capital assets less related long-term debt and asset retirement obligations. In the normal course of operations the non-financial assets will not be available to finance operations, but will be used to provide services, and the debt will be repaid by future period revenues.

12. PENSION LIABILITY

The Village and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2024, the plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local government.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$162,471 (2024 - \$147,229) for employer contributions to the plan in fiscal 2025.

The next valuation will be as at December 31, 2027.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

13. COLLECTION FOR OTHER GOVERNMENTS

Taxation revenues comprise the following amounts raised.

General	\$ 1,540,773
Utility taxes and grants in lieu	<u>142,127</u>
	<u>\$ 1,682,900</u>

The Village collected and remitted the following taxes on behalf of other Governments.

Provincial Government - School Taxes	\$ 871,499
Provincial Government - Police Tax Levy	124,645
Regional District of Central Kootenay	716,261
Regional Hospital District	77,610
British Columbia Assessment Authority	18,489
Municipal Finance Authority	<u>100</u>
	<u>\$ 1,808,604</u>

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2025

14. CONTINGENT LIABILITIES

The Village, as a member of the Regional District of Central Kootenay, is jointly and severally liable for the future capital liabilities of the Regional District. The loan agreements with the Municipal Finance Authority provide that if the Authority does not have sufficient funds to meet its payments and obligations, it shall make payments from the debt reserve fund which is in turn established by a similar debt reserve fund of the Village and all other borrowing participants. If the debt reserve fund is deficient, the Authority's obligations become a liability of the Regional District, and may become a liability of the participating municipalities.

In the normal course of a year, the Village is faced with claims for damages of a diverse nature. The outcome of these claims cannot be reasonably determined, and no amounts are accrued in the financial statements. The amount of loss, if any, arising from these actions will be recorded in the accounts in the period in which the loss is realized.

15. GOVERNMENT TRANSFERS

	2025	2024
Government Transfers - Unconditional		
Provincial	<u>\$ 402,000</u>	<u>\$ 447,800</u>
Government Transfers - Conditional		
Provincial	<u>\$ 966,354</u>	<u>\$ 1,139,083</u>
Other	<u>644,773</u>	<u>935,245</u>
	<u>\$ 2,013,127</u>	<u>\$ 2,522,128</u>

16. BUDGET RECONCILIATION

The following reconciles the budgeted annual deficit as shown on the statement of operations to the budget as presented in bylaw no. 750 adopted May 12, 2025.

Annual budgeted surplus as presented	\$ 718,854
Borrowing proceeds	100,000
Transfers from reserves	2,718,003
Transfers to reserves	(1,020,563)
Amortization	1,045,000
Debt principal payments	(76,708)
Capital expenditures	(4,421,657)
Budgeted use of prior year surplus	964,351
Interfund transfers	<u>(27,280)</u>
	<u>\$ -</u>

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2025

17. CEMETERY CARE TRUST FUND

The Village operates the Catholic, Hillcrest, Women's Institute, Glenbank, and Legion cemeteries and maintains a Cemetery Care Fund in accordance with the Cremation, Interment, and Funeral Services Act and related Regulations. In accordance with Act and Regulations, the Village must transfer a specified minimum percentage of certain cemetery fees into the Cemetery Care Fund. The resulting equity balance in the fund is restricted in use; interest earnings are available to the Village to fund ongoing maintenance of the cemetery as required. The condensed financial information for the year ended December 31, 2025 with 2024 comparative figures are as follows:

	2025	2024
ASSETS		
Short-term investments	<u>\$ 57,027</u>	<u>\$ 53,915</u>
EQUITY	<u>\$ 57,027</u>	<u>\$ 53,915</u>
OPERATIONS		
Contributions	\$ 1,550	\$ 4,525
Interest	<u>1,562</u>	<u>2,394</u>
CHANGE IN EQUITY	<u>\$ 3,112</u>	<u>\$ 6,919</u>

The Cemetery Trust Fund is not included in the Village's financial statements.

18. GROWING COMMUNITIES FUND

Information about the Growing Communities Fund (GCF), when deposited into a reserve fund established by bylaw:

The Province of British Columbia distributed conditional GCF grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia. The Village of Nakusp received \$1,161,000 of GCF Funding in March 2023.

	2025	2024
Opening balance of unspent funds	\$ 1,217,897	\$ 1,164,315
Interest earned	30,089	53,582
Amount spent	<u>-</u>	<u>-</u>
Closing balance of unspent funds	<u>\$ 1,247,986</u>	<u>1,217,897</u>

19. SEGMENTED INFORMATION

The Village of Nakusp is a diversified municipal government that provides a wide range of services to its citizens. The Village's operations and activities are organized and reported by funds and departments. The general fund reports on operations funded primarily by property taxes and government transfers which include services provided by the Village such as general government services, protective services, public works and parks and recreation. The utility operations are comprised of the water and sewer system each accounting for its own operations and programs within its own fund. The Hot Springs and Chalets fund reports the revenues and expenses specific to the Hot Springs operations. Operating results reported by the following segments are included in Schedule B.

General government

General government is primarily funded by property taxation and unconditional government transfers. The expenses within the segment are for legislative, general administration and finance functions as well as all operations and maintenance costs relating to the municipal buildings, economic development and promotion and grants to community organizations.

Protective services

Protective services is comprised of the Village's fire protection and emergency services and the operating and maintenance costs of the related buildings, vehicles and equipment.

Public works

Public works and transportation is a broad function comprised of crews engaged in the maintenance and improvements to the road systems, drainage, waste disposal, snow removal, cemetery, works yard, and other planning and maintenance activities.

Parks and recreation

Parks and recreation services contribute to the quality of life and personal wellness through the maintenance of the parks and boulevards, as well as the maintenance and operations of the arena and campground.

Water services

The water utility provides safe drinking water to the Village. Revenue and expenses represent the amounts that are directly attributable to the function of the water utility.

Sewer services

The sewer utility operates the sanitary sewer system networks and treatment plant. Revenue and expenses represent the amounts that are directly attributable to the function of the sewer utility.

Hot Springs and Chalets

The Hot Springs and Chalets segment is comprised of the revenues earned and the expenses incurred from the operations and maintenance of the Nakusp Hot Springs which includes the facility, chalets and campground.

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2025

20. FINANCIAL INSTRUMENTS

Credit risk exposure

Credit risk is the risk of financial loss to the Village if a debtor fails to discharge their obligation (e.g. pay property taxes to the Village). The Village is exposed to this risk arising from its accounts receivable.

The Village's investment policy operates within the constraints of the investment guidelines laid out in Section 183 of the Community Charter, which puts limits on the types of investments the Village may invest in. The Section permits the Village's funds to be invested in securities of the Municipal Finance Authority; specified pool investments; securities issued by the Government of Canada, a Canadian province, municipality, or regional district; investments guaranteed by a chartered bank; and deposits in savings institutions or non-equity or membership shares of a credit union

Accounts receivable is primarily amounts due from government (grants receivable) and Village residents. The Village mitigates credit risk by regular submission of reporting requirements for grant installments to be paid within six months to a year of the grant approval. Property tax receivable risk is mitigated by regular notification to the residents of outstanding amounts and ultimately tax sale for recovery, if necessary. If an accounts receivable is held for a long period of time, an impairment allowance is setup to offset the receivable. There were no changes in exposures to credit risk during the period. The amounts outstanding at year end were as follows:

	2025				Total
	Current	31-60 days	91-120 days	Over 120 days	
Due from other governments	286,455	-	-	-	286,455
Taxes receivable	-	-	-	407,325	407,325
Other receivables	47,480	15,559	1,863	14,458	79,360
Total receivables	\$ 333,935	\$ 15,559	\$ 1,863	\$ 421,783	\$ 773,140

	2024				Total
	Current	31-60 days	91-120 days	Over 120 days	
Due from other governments	744,134	-	-	-	744,134
Taxes receivable	-	-	-	306,206	306,206
Other receivables	24,768	62,575	52,804	-	140,147
Total receivables	\$ 768,902	\$ 62,575	\$ 52,804	\$ 306,206	\$ 1,190,487

20. FINANCIAL INSTRUMENTS (continued)

Liquidity risk exposure

Liquidity risk is the risk that the Village will not be able to meet all cash outflow obligations as they come due. The Village mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting. The following table sets out the expected maturities, representing undiscounted cash-flows of its financial liabilities.

	2026	2027	2028	Thereafter	Total
Accounts payable and accrued liabilities	453,669	-	-	-	453,669
Long-term debt	86,231	74,119	65,137	825,038	1,050,525
Asset retirement obligations	86,974	13,506	13,911	2,760,937	2,875,328
Total	\$ 626,874	\$ 87,625	\$ 79,048	\$ 3,585,975	\$ 4,379,522

Market risk exposure

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Village operates with constraints of the investment guidelines in Section 183 of the Community Charter.

Currency risk

Currency risk arises from the change in price of one currency in relation to another. The Village is not exposed to this risk as it does not transact in foreign currencies.

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in the fair value or future cash flows of financial instruments because of changes in market interest rates. The Village is exposed to this risk through its investments and MFA long-term debt. The Village mitigates this risk by ensuring that they have sufficient cash to meet the outstanding debt obligation if interest rates should rise. The Village monitors expected cash outflow through budgeting and maintenance of loans payable. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial statement will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk). The Village is not exposed to other price risk as the Village does not have any investments or equity instruments

21. CONTRACTUAL OBLIGATIONS

The Village has entered into purchase and service contracts related to current capital projects, valued at \$535,993 plus applicable taxes.

22. COMPARATIVE FIGURES

Comparative figures have been adjusted to conform to changes in the current year presentation.

VILLAGE OF NAKUSP
SCHEDULE A - TANGIBLE CAPITAL ASSETS
As at December 31, 2025

	Land	Park Improvements and Other	Buildings	Equipment, Furniture, and Vehicles	Transportation System	Sewer System	Water System	Assets Under Construction	2025 Total	2024 Total
COST										
Opening Balance	\$ 1,342,412	\$ 3,742,731	\$ 12,164,743	\$ 4,239,425	\$ 5,615,211	\$ 5,661,207	\$ 9,070,594	\$ 1,073,064	\$ 42,909,387	\$ 39,858,845
Add: Additions	-	269,027	69,120	244,823	179,819	22,662	503,563	1,024,134	2,313,148	2,179,990
Add: Additions due to ARO recognition	-	-	-	-	-	-	-	-	-	1,211,973
Less: Disposals/Transfers	(11,164)	-	-	-	-	-	-	(517,870)	(529,034)	(341,421)
Less: Disposal due to change in ARO estimate	-	-	(1,795)	-	-	-	(924)	-	(2,719)	-
Closing Balance	1,331,248	4,011,758	12,232,068	4,484,248	5,795,030	5,683,869	9,573,233	1,579,328	44,690,782	42,909,387
ACCUMULATED AMORTIZATION										
Opening Balance	-	743,358	6,920,020	2,794,231	2,440,668	3,258,486	3,658,511	-	19,815,274	18,663,763
Add: Amortization	-	97,995	448,403	208,785	107,360	128,126	174,535	-	1,165,204	1,151,511
Less: Acc. Amortization on Disposals	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	841,353	7,368,423	3,003,016	2,548,028	3,386,612	3,833,046	-	20,980,478	19,815,274
Net Book Value, year ended										
December 31, 2025	\$ 1,331,248	\$ 3,170,405	\$ 4,863,645	\$ 1,481,232	\$ 3,247,002	\$ 2,297,257	\$ 5,740,187	\$ 1,579,328	\$ 23,710,304	\$ 23,094,113

VILLAGE OF NAKUSP
SCHEDULE B - SEGMENTED INFORMATION
As at December 31, 2025

	General Government	Hot Springs and Chalets	Parks and Recreation	Protective Services	Public Works and Transportation	Sewer Services	Water Services	2025	2024
REVENUE									
Conditional transfers from other governments	\$ 344,723	\$ 80,400	\$ 704,196	\$ 321,607	\$ 21,600	\$ 138,601	\$ -	\$ 1,611,127	2,074,328
Unconditional transfer - Province of B.C.	402,000	-	-	-	-	-	-	402,000	447,800
Municipal property and parcel taxes	1,521,353	-	-	-	-	4,548	14,872	1,540,773	1,432,766
Hot Springs fees and other revenue	-	1,243,964	-	-	-	-	-	1,243,964	1,140,128
Water user fees and charges	-	-	-	-	-	-	669,977	669,977	663,433
General fees and charges	186,622	-	321,328	704	132,086	-	-	640,740	617,730
Sewer user fees and charges	-	-	-	-	-	639,129	-	639,129	579,346
Investment interest and MFA actuarial gain	261,940	14,250	-	-	-	10,712	1,639	288,541	420,984
Utility taxes and grant-in-lieu of taxes	142,127	-	-	-	-	-	-	142,127	131,775
Gain on sale of tangible capital assets	-	-	-	-	131,917	-	-	131,917	62,000
Interest and penalties on taxes	44,371	-	-	-	-	-	-	44,371	43,361
Equity income (loss) in NACFOR	523,794	-	-	-	-	-	-	523,794	(164,320)
	<u>3,426,930</u>	<u>1,338,614</u>	<u>1,025,524</u>	<u>322,311</u>	<u>285,603</u>	<u>792,990</u>	<u>686,488</u>	<u>7,878,460</u>	<u>7,449,331</u>
EXPENSES									
Goods and services	587,948	426,560	441,185	170,072	229,805	190,991	153,971	2,200,532	2,082,882
Wages, benefits and Council stipends	695,188	740,346	474,926	561	429,028	139,411	203,531	2,682,991	2,506,314
Interest on debt	-	10,437	17,247	8,404	-	12,560	6,818	55,466	58,605
Accretion	-	2,835	64,118	-	439	-	10,220	77,612	74,746
Amortization of tangible capital assets	32,499	52,561	445,198	93,748	238,537	128,126	174,535	1,165,204	1,151,511
	<u>1,315,635</u>	<u>1,232,739</u>	<u>1,442,674</u>	<u>272,785</u>	<u>897,809</u>	<u>471,088</u>	<u>549,075</u>	<u>6,181,805</u>	<u>5,874,058</u>
Annual Surplus/Deficit	<u>\$ 2,111,295</u>	<u>\$ 105,875</u>	<u>\$ (417,150)</u>	<u>\$ 49,526</u>	<u>\$ (612,206)</u>	<u>\$ 321,902</u>	<u>\$ 137,413</u>	<u>\$ 1,696,655</u>	<u>\$1,575,273</u>

VILLAGE OF NAKUSP
SCHEDULE C - COVID-19 PROVINCE OF BC RESTART GRANT
As At December 31, 2025
(Unaudited)

	2025	2024
OPENING BALANCE	\$ 103,330	\$ 327,915
EXPENDITURES		
Addressing revenue shortfalls	40,239	136,612
Facility reopening and operating costs	52,600	78,755
Computer and other electronic technology costs	10,491	9,218
CLOSING BALANCE	\$ -	\$ 103,330

VILLAGE OF NAKUSP
SCHEDULE D - LOCAL GOVERNMENT HOUSING INITIATIVES GRANT
As At December 31, 2025
(Unaudited)

	2025	2024
OPENING BALANCE	\$ 138,648	\$ -
AMOUNT RECEIVED DURING THE YEAR	-	157,704
AMOUNT SPENT	64,976	19,056
CLOSING BALANCE	\$ 73,672	\$ 138,648