Consolidated Financial Statements of

RURAL MUNICIPALITY OF MISCOUCHE

Year ended March 31, 2026

Independent Auditor's Report

MNP

To the Members of Council of Rural Municipality of Miscouche:

Qualified Opinion

We have audited the consolidated financial statements of Rural Municipality of Miscouche and its subsidiaries (the "Municipality"), which comprise the consolidated statement of financial position as at March 31, 2026, and the consolidated statements of operations, accumulated operating surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Municipality as at March 31, 2026, and the results of its consolidated operations, changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The municipality has not recognized a liability and corresponding tangible capital asset related to its asset retirement obligations. Management is aware that a liability existed at March 31, 2026, but as of the audit report date has not yet completed the detailed site investigation necessary to measure the liability. These unrecognized liabilities and tangible capital assets constitute departures from Canadian public sector accounting standards. We have not determined the extent of the unrecorded liabilities and tangible capital assets or their effect on expenses, annual surplus or change in net financial assets for the year ended March 31, 2026 and net financial assets and accumulated surplus as at March 31, 2025.

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 Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality'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 Municipality'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 Municipality 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Municipality as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Summerside, Prince Edward Island

August 11, 2026

MNP LLP

Chartered Professional Accountants

RURAL MUNICIPALITY OF MISCOUCHE

Consolidated Statement of Financial Position

March 31, 2026

	2026	2025
Financial Assets		
Cash	$ 1,051,732	$ 951,389
Restricted cash	44,354	48,808
Temporary investments (Note 2)	239,791	403,588
Accounts receivable (Note 3)	227,470	147,500
	1,563,347	1,551,285
Liabilities		
Accounts payable and accrued liabilities	3,975	135,419
Long-term debt (Note 4)	542,409	507,949
Net financial assets	1,016,963	907,917
Non-financial Assets		
Tangible capital assets (Schedule 5)	7,115,412	6,950,019
Inventory (Note 5)	1,754	1,754
	7,117,166	6,951,773
Accumulated surplus (Note 7)	$ 8,134,129	$ 7,859,690

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

On Behalf of the Council:

_____ Councilor

_____ Councilor

RURAL MUNICIPALITY OF MISCOUCHE

Consolidated Statement of Operations

Year ended March 31, 2026

	Budget (Note 9)	2026	2025
Revenue:			
Municipal property tax	$ 340,000	$ 370,402	$ 343,406
Miscouche Sewage Collection and Treatment Corporation (Schedule 1)	184,802	185,226	165,298
Government transfers for operations (Note 8)	157,200	189,343	155,391
Fire dues	75,500	73,195	75,495
Fines, fees and licenses	2,000	1,249	723
Interest	15,000	17,492	17,740
Centennial Recreation Centre (Schedule 4)	89,700	33,629	68,239
Donations and other	-	11,955	7,566
Gain on disposal of assets	-	-	15,700
	864,202	882,491	849,558
Expenses:			
Miscouche Sewage Collection and Treatment Corporation (Schedule 1)	211,802	264,031	172,242
Administrative (Schedule 2)	104,950	125,870	110,335
Facilities and public property (Schedule 2)	114,500	200,103	189,091
Fire protection (Schedule 3)	122,000	145,659	137,232
Professional services and memberships (Schedule 3)	17,500	9,054	9,718
Recreation and community services (Schedule 3)	6,000	17,445	16,777
Public works - street lights	20,000	20,551	18,221
Centennial Recreation Centre (Schedule 4)	89,700	58,655	98,701
	686,452	841,368	752,317
Excess of revenue over expenses	177,750	41,123	97,241
Other:			
Government transfers for capital (Note 8)	100,000	233,316	868,304
Contributions for capital	-	-	10,000
	100,000	233,316	878,304
Annual surplus	277,750	274,439	975,545
Accumulated surplus, beginning of year	7,859,690	7,859,690	6,884,145
Accumulated surplus, end of year	$ 8,137,440	$ 8,134,129	$ 7,859,690

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

RURAL MUNICIPALITY OF MISCOUCHE

Consolidated Statement of Change in Net Financial Assets

Year ended March 31, 2026

	Budget (Note 9)	2026	2025
Annual surplus	$ 277,750	$ 274,439	$ 975,545
Acquisition of tangible capital assets	(199,750)	(416,418)	(1,176,912)
Amortization of tangible capital assets	28,500	251,025	232,326
	(171,250)	(165,393)	(944,586)
Increase in net financial assets	106,500	109,046	30,959
Net financial assets, beginning of year	907,917	907,917	876,958
Net financial assets, end of year	$ 1,014,417	$ 1,016,963	$ 907,917

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

RURAL MUNICIPALITY OF MISCOUCHE

Consolidated Statement of Cash Flows

Year ended March 31, 2026

	2026	2025
Operating activities:		
Cash receipts from property owners and grants	$ 857,685	$ 812,651
Cash paid to suppliers and employees	(551,514)	(499,655)
Interest received	19,402	27,337
Interest paid	(35,947)	(26,783)
	289,626	313,550
Cash flows used in capital activities:		
Purchase of tangible capital assets	(550,744)	(1,434,674)
Contributions for capital	-	10,000
Government transfers for capital	158,750	1,283,084
	(391,994)	(141,590)
Cash flows from financing activities:		
Repayment of long-term debt	(115,080)	(692,140)
Proceeds from long-term debt	149,540	965,461
	34,460	273,321
Increase (decrease) in cash position	(67,908)	445,281
Cash and cash equivalents, beginning of year	1,403,785	958,504
Cash and cash equivalents, end of year	$ 1,335,877	$ 1,403,785
Cash and cash equivalents represented by:		
Cash	1,051,732	951,389
Restricted cash	44,354	48,808
Term deposits	239,791	403,588
	$ 1,335,877	$ 1,403,785

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

1. Significant accounting policies:

(a) Management's Responsibility for the Financial Statements:

The Rural Municipality of Miscouche (the "Municipality") was incorporated in 1957 as a municipality in the Province of Prince Edward Island and operates under the provisions of the Municipal Governments Act of Prince Edward Island. The Rural Municipality provides municipal services such as sewer, fire protection, planning, parks recreation and other general government services.

The financial statements of the Municipality are the representation of management and have been prepared in accordance with the generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB").

(b) Reporting entity:

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes in net financial assets and cash flows of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Municipality and are, therefore, accountable to the Rural Municipality Council for the administration of their financial affairs and resources. Consolidated with the municipality are the following:

The Rural Municipality of Miscouche
Miscouche Sewage Collection and Treatment Corporation

Interdepartmental and organizational transactions and balances are eliminated.

(c) 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 excess of revenues over expenses, provides the consolidated change in net financial assets for the period.

1. **Significant accounting policies (continued):**

(d) Tangible capital assets:

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

Asset	Rate
Rural Municipality:	
Buildings	40 years
Sidewalks	25 years
Land improvements	20 years
Fire trucks	15 years
Fire equipment	10 years
Office equipment	5 years
Park equipment	15 years
Recreation Centre equipment	5 years
Street equipment	10 years
Sewer Utility:	
Sewer system	83 1/3 years
Pumping equipment	20 years
Plant equipment	10 years
Motor vehicles	5 years

Tangible capital assets under construction, development or that have been removed from service are not amortized until they are available to be put into service.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Municipality's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed tangible capital assets are recorded at their fair value on the date of contribution, except in unusual circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value.

1. **Significant accounting policies (continued):**

(e) Inventory:

Centennial Recreation Centre inventory is valued at the lesser of cost and replacement value. Cost is determined on a first-in, first-out basis.

(f) Revenue recognition:

Property tax billings are received directly from the Province of Prince Edward Island. Taxes are billed based on the assessment rolls provided by the Province of Prince Edward Island at rates set by the Town. Taxation revenue is recorded as it is received in monthly installments from the Province of Prince Edward Island. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized.

Revenue from transactions with no performance obligation is recognized at net realizable value when the Municipality has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event giving rise to an asset.

Revenue from transactions with performance obligations is recognized when the organization satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.

The Municipality recognizes utility revenues at the sewer assessment rate on a straight line basis over the period of time when the sewer accounts are active as the Municipality provides sewer services. The Municipality recognizes fire dues revenue on a straight line basis over the duration of contracts as the Municipality provides fire protection service. Revenues such as recreation programs and rentals are recognized at the transaction price at the time of sale. All revenues are recorded on an accrual basis.

(g) Government transfers:

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, the amount can be reasonably estimated, any eligibility criteria have been met and there are no stipulations that give rise to a possible obligation.

(h) Deferred revenues:

Deferred revenues represent government transfer, donations, and other amounts which have been collected, but for which the related services have yet to be performed or agreement stipulations have not been met. These amounts will be recognized as revenues when revenue recognition criteria have been met.

(i) Use of estimates:

The preparation of financial statements in accordance with Canadian public sector accounting standards 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 expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Management has made significant estimates regarding the useful lives of tangible capital assets.

(j) Financial instruments:

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable and term deposits are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

For the financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annual for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

(k) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, bank balances, guaranteed investment certificates with a duration of less than three months from the date of acquisition, term deposits with a maturity period of three months or less from the date of acquisition and investments in money market funds.

2. Temporary investments:

	2026	2025
Consolidated Credit Union guaranteed investment certificate, (3.15% per annum) maturity November 29, 2026	$ 163,973	$ -
Consolidated Credit Union guaranteed investment certificate, (3.50% per annum) maturity October 24, 2030	50,758	-
Consolidated Credit Union guaranteed investment certificate, (5.50% per annum) maturity March 15, 2029	25,060	-
Consolidated Credit Union guaranteed investment certificate, (4.00% per annum) redeemed during the year	-	164,535
Consolidated Credit Union guaranteed investment certificate, (2.50% per annum) redeemed during the year	-	163,102
Consolidated Credit Union guaranteed investment certificate, (4.00% per annum) redeemed during the year	-	50,872
Consolidated Credit Union guaranteed investment certificate, (7.25% per annum) redeemed during the year	-	25,079
	$ 239,791	$ 403,588

3. Accounts receivable:

	2026	2025
Sewer rate assessments	$ 58,423	$ 58,999
West Lagoon Project funding	-	81,344
Municipal capital expenditure grant	55,909	-
HST	4,415	168
Rental income	2,760	-
Fire dues	-	1,100
Property tax grant	5,963	5,889
Gas tax funding	100,000	-
	$ 227,470	$ 147,500

4. Long-term debt:

	2026	2025
Consolidated Credit Union, 4.99%, payable in monthly payments of principal and interest of $3,999. Loan is amortized over 25 years with maturity of September, 2048.	$ 542,409	$ 507,949

The aggregate required regular principal repayments of long-term debt in each of the five years subsequent to March 31, 2026 are as follows: 2027 - $21,407; 2028 - $22,500; 2029 - $23,649; 2030 - $24,856; 2031 - $26,125; thereafter - $423,872.

5. Inventory:

	2026	2025
Recreation Centre - merchandise and goods	$ 1,754	$ 1,754

6. Equity in tangible capital assets:

	2026	2025
Tangible capital assets (Schedule 5)	$ 10,023,390	$ 9,606,972
Accumulated amortization (Schedule 5)	(2,907,978)	(2,656,953)
Long-term debt (Note 4)	(542,409)	(507,949)
	$ 6,573,003	$ 6,442,070

7. Accumulated surplus:

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2026	2025
Unrestricted surplus	$ 885,052	$ 775,883
Gas Tax - unspent portion	44,354	48,808
General reserve	631,720	592,929
Equity in tangible capital assets	6,573,003	6,442,070
	$ 8,134,129	$ 7,859,690

8. Government transfers:

	2026	2025
Government transfers for operations:		
Provincial equalization grant	$ 153,015	$ 142,221
Provincial grant in lieu of taxes	5,963	5,889
Wage grant	7,565	7,281
Planning Tax Credit Grant	7,800	-
Rural Municipality Grant	15,000	-
	189,343	155,391
Government transfer for capital:		
Gas Tax - general	100,000	100,000
West Lagoon Upgrade Project funding	23,547	453,854
Government contributions for capital	51,935	181,813
Municipal capital expenditures grant - general	35,390	34,599
Municipal capital expenditures grant - sewer	22,444	98,038
	233,316	868,304
	$ 422,659	$ 1,023,695

9. Budget:

The columns presented as budget on the consolidated statement of operations and statement of of changes in net assets were not subject to audit or review by the external auditor.

A reconciliation of the 2026 fiscal budget prepared by Council to the budget figures disclosed in the financial statements is as follows:

	2026
Rural Municipality of Miscouche budgeted annual surplus	$ -
Miscouche Sewage Collection and Treatment Corporation budgeted annual deficit	(27,000)
Add: capital expenditure in budget	199,750
Add: transfers to reserve in budget	105,000
	$ 277,750

10. Financial Instruments:

The Municipality is exposed to credit risk, liquidity risk, and interest risk from its financial instruments. This note describes the Municipality's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Municipality is exposed to credit risk through its cash, accounts receivable and term deposits. Credit risk arises from these instruments due to possible financial loss. Credit risk has increased from the prior year due to increase in accounts receivable.

The Municipality manages its credit risk by holding cash and term deposits at federally regulated chartered banks with cash accounts insured up to $100,000.

The Municipality's maximum exposure to credit risk at the financial statement date is the carrying value of its cash, term deposits and accounts receivable is presented on the statement of financial position.

Liquidity risk

Liquidity risk is the risk that the Municipality will encounter difficulty in meeting obligations associated with financial liabilities. The Municipality is exposed to liquidity risk through its accounts payable, and long-term debt. Liquidity risk has increased from the prior year due to an increase in long-term debt due to new debt obtained during the year offset by lower accounts payable.

The Municipality manages its liquidity risk by monitoring cash activities and expected outflows through budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash flows arise.

Interest risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Municipality is exposed to interest rate risk through its long-term debt. Interest risk has increased from the prior year due to an increase in long-term debt.

11. Subsequent event:

Subsequent to year-end, the Municipality received a demand loan of $177,000 to assist in the purchase of a fire truck. The loan is repayable in annual instalments of principal and interest of $75,000 and may be demanded at any time by the lender.

12. Segmented information:

The Rural Municipality is a diversified municipal government that provides a wide range of services to its residents. Distinguishable functional segments have been separately disclosed in the financial statements in the form of segmented information. The nature of segments and the activities they encompass are as follows:

Administration:
General government revenues and expenses that relate to the operations of the Rural Municipality itself and cannot be directly attributed to a specific segment.

Miscouche Sewage Collection and Treatment Corporation:
Sewer utility, operating under a separate legal entity, responsible for processing and cleaning sewage in accordance with provincial standards.

Facilities and public property:
Revenues and expenses related to the operations of facilities and public property.

Fire protection:
Revenues and expenses related to the operations of the Miscouche Fire Department.

Professional services and memberships:
Revenues and expenses related to the operations of professional services and memberships.

Recreation and community services:
Revenues and expenses related to the operations of recreation and community services.

Centennial Recreation Centre:
Revenues and expenses related to the operations of the Centennial recreation centre.

The accounting policies of the segments are the same as those described in Note 1 Significant Accounting Policies. The revenues and expenses that are directly attributable to a particular segment are allocated directly to that segment.

RURAL MUNICIPALITY OF MISCOUCHE

Schedule of Miscouche Sewage Collection and Treatment Corporation Operations

Year ended March 31, 2026 — Schedule 1

	Budget (Note 9)	2026	2025
Revenue:			
Sewer rate assessments	$ 182,802	$ 183,316	$ 162,825
Interest	2,000	1,910	2,473
	184,802	185,226	165,298
Expenses:			
Operating:			
Maintenance	109,914	112,788	50,084
General:			
Administrative	18,000	20,077	19,556
Electricity	9,000	11,819	11,424
Office supplies	600	5,607	7,367
Professional fees	2,000	7,614	7,685
Regulatory expenses	1,500	3,821	-
Other:			
Amortization of tangible capital assets	27,000	68,441	51,333
Interest on long-term debt	43,788	33,864	24,793
	211,802	264,031	172,242
Excess of revenue over expense	(27,000)	(78,805)	(6,944)
Other:			
Government transfers for capital (Note 8)	-	45,991	551,891
Excess of revenue over expenses	$ (27,000)	$ (32,814)	$ 544,947

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

RURAL MUNICIPALITY OF MISCOUCHE

Schedule of Expenses

Year ended March 31, 2026 — Schedule 2

	2026	2025
Administrative		
Advertising	$ 275	$ -
Amortization of tangible capital assets	2,705	2,434
Bank charges and interest	2,083	1,990
Council honorarium	15,210	15,550
Donations	5,398	3,907
Insurance	6,152	6,101
Meetings	4,830	4,830
Miscellaneous	7,600	8,959
Stationery and office	2,035	2,421
Telephone	5,268	4,853
Travel	-	128
Wages and benefits	59,266	59,162
Professional fee - Bylaw review	15,048	-
	$ 125,870	$ 110,335
Facilities and public property		
Amortization of tangible capital assets	$ 102,047	$ 98,184
Cutting grass	890	2,936
Electricity	14,506	11,976
Fuel	-	484
Insurance	5,566	5,520
Repairs and maintenance	40,363	35,471
Snow removal	2,185	2,004
Taxes	6,144	5,999
Wages	28,402	26,517
	$ 200,103	$ 189,091

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

RURAL MUNICIPALITY OF MISCOUCHE

Schedule of Expenses

Year ended March 31, 2026 — Schedule 3

	2026	2025
Fire protection		
Administrative	$ 11,763	$ 8,718
Amortization of tangible capital assets	55,184	60,284
Honorariums	23,000	23,000
Insurance	6,779	6,723
Supplies	14,294	8,673
Telephone	15,744	6,220
Training	4,334	14,614
Travel	364	55
Truck gas and expenses	14,197	8,945
	$ 145,659	$ 137,232
Professional services and memberships		
Audit and legal	$ 6,991	$ 7,685
Dues and memberships	2,063	2,033
	$ 9,054	$ 9,718
Recreation and community services		
Amortization of tangible capital assets	$ 15,258	$ 13,404
Repairs, maintenance and property tax	2,187	3,373
	$ 17,445	$ 16,777

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

RURAL MUNICIPALITY OF MISCOUCHE

Schedule of Centennial Recreation Centre

Year ended March 31, 2026 — Schedule 4

	2026	2025
Sales:		
Rent	$ 20,616	$ 20,630
Bingo, bar and canteen	12,633	46,631
Donations	380	978
	33,629	68,239
Expenses:		
Amortization	7,390	6,688
Dues and fees	1,164	4,012
Electricity	10,641	10,189
Heat	-	573
Insurance	5,236	5,192
Maintenance	5,518	3,827
Property tax	4,459	3,910
Supplies	1,021	24,352
Telephone	5,976	9,650
Wages and benefits	17,250	30,308
	58,655	98,701
Deficiency of revenue over expenses	$ (25,026)	$ (30,462)

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

RURAL MUNICIPALITY OF MISCOUCHE
Schedule of Tangible Capital Assets

Year ended March 31, 2026

Schedule 5

	Cost Beginning of Year	Additions	Disposals and Write-downs	Cost End of Year	Accumulated Amortization Beginning of Year	Disposals and Write-downs	Amortization	Accumulated Amortization End of Year	Net Book Value, 2026	Net Book Value, 2025
Rural Municipality:										
Land	$ 84,109	$ -	$ -	$ 84,109	$ -	$ -	$ -	$ -	$ 84,109	$ 84,109
Land improvements	115,801	-	-	115,801	62,713	-	3,962	66,675	49,126	53,088
Community Centre	638,906	103,320	-	742,226	325,120	-	12,186	337,306	404,920	313,786
Centennial Recreation Centre	295,583	-	-	295,583	59,036	-	7,390	66,426	229,157	236,547
Storage building	19,757	-	-	19,757	6,051	-	494	6,545	13,212	13,706
Sidewalks	1,786,167	-	-	1,786,167	510,125	-	71,446	581,571	1,204,596	1,276,042
Office equipment	20,772	1,108	-	21,880	12,372	-	2,705	15,077	6,803	8,400
Fire equipment	431,104	60,803	-	491,907	202,229	-	36,718	238,947	252,960	228,875
Fire trucks	613,882	216,798	-	830,680	574,978	-	8,285	583,263	247,417	38,904
Park equipment	174,608	2,400	-	177,008	64,197	-	9,276	73,473	103,535	110,411
Street equipment	270,837	-	-	270,837	69,961	-	24,140	94,101	176,736	200,876
Skatepark	89,728	-	-	89,728	30,724	-	5,982	36,706	53,022	59,004
Sewer utility:										
Land	59,844	-	-	59,844	-	-	-	-	59,844	59,844
Sewer system	4,601,721	31,989	-	4,633,710	422,800	-	55,281	478,081	4,155,629	4,178,921
Pumping equipment	261,069	-	-	261,069	261,069	-	-	261,069	-	-
Plant equipment	135,570	-	-	135,570	48,064	-	13,160	61,224	74,346	87,506
Motor vehicle	7,514	-	-	7,514	7,514	-	-	7,514	-	-
	$ 9,606,972	$ 416,418	$ -	$10,023,390	$ 2,656,953	$ -	$ 251,025	$ 2,907,978	$ 7,115,412	$ 6,950,019

The net book value of tangible capital assets not being amortized because they are under construction or not in use are $234,786 (2025 - $Nil).