9904 Dudley Drive
Hudson's Hope BC V0C 1V0
Telephone 250-783-9901
Fax: 250-783-5741

Statement of Financial Information (SOFI) - 2025

District of Hudson's Hope

Statement of Financial Information

For the Year Ended December 31, 2025

The following information package, prepared in accordance with the *Financial Information Act,* was approved by the District of Hudson's Hope Council in open meeting assembled on June 03, 2025.

On behalf of Council:

[redacted]

July 13/2026

Travous Quibell

Date

Mayor

The information contained in this package is certified as accurate and correct.

[redacted]

July 13/26

Crystal Brown

Date

Chief Administrative Officer

District of Hudson's Hope

Statement of Financial Information

For the Year Ended December 31, 2025

MANAGEMENT REPORT

The District of Hudson's Hope was incorporated in 1965 as a District Municipality under the *Community Charter*, formerly the *Municipal Act*, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water, sanitary sewer, and fiscal services. The authority to collect property taxes and user fees and the authority to create and enforce bylaws is granted under provisions of the *Local Government Act* and the *Community Charter*. Services are provided primarily within the political boundaries of the District of Hudson's Hope.

The role of Council is to legislate bylaws; to establish goals, regulations, and policies; and to provide overall direction for management in achieving these goals. The role of management is to carry out Council's directions in accordance with established bylaws, regulations, and policies. Management also oversees the day-to-day operations of the municipality. Specifically, the role of the financial manager consists of fulfilling all statutory requirements relating to finance, investment of surplus funds, safeguarding of assets, and financial reporting. The role of the municipal auditors is to provide an annual independent audit of the municipality's financial statements. Portions of this information package are excerpts of the 2025 audited financial statements.

[redacted]

Crystal Brown

Chief Administrative Officer

July 13/26

Date

District of Hudson's Hope

Statement of Financial Information

For the Year Ended December 31, 2025

Severance Agreements

The District of Hudson's Hope had 1 severance agreements under which payment was commenced to a non-unionized employee during the fiscal year 2025 for a 6-month period. Compensation was based on salary and benefits.

District of Hudson's Hope

Statement of Financial Information

For the Year Ended December 31, 2025

Schedule of Indemnity Agreements

The District of Hudson's Hope has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

District of Hudson's Hope

Statement of Financial Information

For the Year Ended December 31, 2025

Debts Covered by Sinking Funds or Reserves

The District of Hudson's Hope had no debt covered by sinking funds or reserves.

District of Hudson's Hope

Statement of Financial Information

For the Year Ended December 31, 2025

Loan Guarantee Agreement

The District of Hudson's Hope had no loan guarantee agreements.

District of Hudson's Hope
Schedule of Remuneration and Expenses
Date: Dec 31, 2025

Elected Officials

Name	Position	Remuneration	Expenses	Total
TRAVOUS QUIBELL	Mayor	27,972.20	11,012.13	38,984.33
JAMES CRYDERMAN	Councillor	13,431.00	5,063.77	18,494.77
TINA JEFFREY	Councillor	14,331.00	6,885.63	21,216.63
DEBBIE BEATTIE	Councillor	16,531.00	9,912.25	26,443.25
TASHANA WINNICKY	Councillor	15,781.00	7,625.90	23,406.90
KARI-LEA CHARLESWORTH	Councillor	11,631.00	-	11,631.00
GREATA GODDARD	Councillor	17,731.00	11,746.56	29,477.56
		117,408.20	52,246.24	169,654.44

Other Employees

Employees Over $75,000

CRYSTAL BROWN	166,304.99	5,914.82	172,219.81
JULIE ROMINE	115,597.02	6,123.74	121,720.76
FRED BURROWS	104,836.80	7,396.81	112,233.61
GORDON DAVIES	99,829.95	7,275.00	107,104.95
KEITH RESCHKE	101,087.61	-	101,087.61
TONIA ALEXANDER	93,745.13	5,434.39	99,179.52
CINDY EDGAR	98,139.98	580.50	98,720.48
KELSEY SHEWFELT	92,145.54	4,122.52	96,268.06
KIM TRASK	94,268.51	1,030.50	95,299.01
ALLAN GRAHAM	89,354.90	4,508.91	93,863.81
GREG SCHAFER	93,359.84	350.00	93,709.84
ALYSE BAILIE	92,301.81	924.75	93,226.56
AARON REYNOR	88,739.04	1,927.00	90,666.04
PHILIP MASON	87,346.73	-	87,346.73
Consolidated Total of Other Employees and expenses Under $75,000	1,007,346.80	21,863.50	1,029,210.30
			-
	2,424,404.65	67,452.44	2,491,857.09

Reconciliation

Total Remuneration - Elected Officials	117,408.20
Total Remuneration - Employees	2,424,404.65
Total Severance - Employees	51,000.00
District Portion of EI and CPP	147,114.83
Subtotal	2,739,927.68
Reconciling Items	
Superannuation and WCB Payments Included in Expense Accounts Below	238,239.81
Benefit Payments Included in Below	178,308.09
Unreconciled Difference	
	3,156,475.58

Total Per Statement of Revenue and Expenditure	
Wages and Benefits in Note 18:	3,106,288.00
Wages Not Included in Note 18:	50,187.58
	3,156,475.58

-

District of Hudson's Hope
Schedule Showing Payments Made for Provision of Goods and Services
Date: Dec 31, 2025

Suppliers With Aggregate Payments Exceeding $25,000

Supplier Name	Amount
AGAT LABORATORIES	36,975.84
ASSOCIATED FIRE SAFETY EQUIPMENT	310,985.29
B.C. ASSESSMENT	45,673.83
BC HYDRO - BILL PAYMENT ONLINE	166,212.72
BCGEU	28,217.40
BROGAN FIRE AND SAFETY	32,642.17
CANADIAN DEWATERING LP	92,359.86
CANADIAN WESTERN MECHANICAL LTD.	164,255.70
CELTIC CONSTRUCTION	263,172.81
CIRKLE K CONSULTING	52,499.97
DISTRICT OF SAANICH	420,000.00
EMPLOYEER HEALTH TAX - ONLINE PAYMENT	35,953.23
EPSCAN	119,247.95
FACTION ARCHITECTURE INC	29,215.89
FORT ST. JOHN CO-OPERATIVE ASSOC.	77,704.14
FORTISBC - NATURAL GAS	55,420.42
GREGG DISTRIBUTORS LP	25,421.96
HUDSON'S HOPE HISTORICAL SOCIETY	92,948.91
HUDSON'S HOPE PUBLIC LIBRARY ASSOCIATION	132,153.67
I.T. PARTNERS	85,135.20
ICBC	51,527.00
KPMG LLP T4348	57,783.16
LD FILTRATION	32,541.66
LIDSTONE & COMPANY LAW CORP	225,582.95
LIONS CLUB	41,152.98
MASON RICHARD	45,274.22
MCELHANNEY LTD	143,621.28
MINISTER OF FINANCE SCHOOL TAX	3,450,605.44
MUNICIPAL INSURANCE ASSOCIATION OF B.C.	188,559.01
MUNICIPAL PENSION PLAN - ONLINE PAYMENT	310,691.49
PACIFIC BLUE CROSS - ONLINE PAYMENT	142,354.86
PARALLEL PROJECTS INC	160,373.12
PEACE RIVER REGIONAL DISTRICT	333,859.93
PEACE RIVER REGIONAL HOSPITAL DISTRICT	295,506.27
PETRON COMMUNICATIONS LTD.	47,393.49
RECEIVER GENERAL FOR CANADA - PAYROLL	37,669.58
RECEIVER GENERAL FOR CANADA - PAYROLL	70,401.45
RECEIVER GENERAL FOR CANADA - PAYROLL	605,341.30
S. YOUNG ENTERPRISES LTD.	259,788.67
SOUND IN TOWN	58,440.02

SUSTAINABLE AQUATIC SYSTEM INC.	171,476.94	
TELUS - ONLINE PAYMENT	45,667.04	
TELUS MOBILITY	34,047.41	
URBAN ARTS ARCHITECTURE INC.	141,810.11	
URBAN SYSTEMS	262,069.07	
VARIOUS HOTEL - CREDIT CARD	32,117.66	
VARIOUS VENDOR - CREDIT CARD	67,645.28	
VEOLIA WATER TECHNOLOGY INC.	864,546.73	
WHOLESALE FIRE & RESCUE LTD.	27,094.25	
WORK SAFE BC - ONLINE PAYMENT	88,739.58	
YETI REFRIGERATION INC.	63,729.48	
Payments Made (Vendors Over $25,000)	10,623,608.39	
Consolidated Total Paid to Suppliers Who Received Aggregate Payments of $25,000 or Less	659,452.27	
Consolidated Total of Grants and Contributions Exceeding $25,000	225,102.58	
Consolidated Total of Grants and Contributions Under $25,000	78,984.00	
	963,538.85	
Total of All Payments Above		11,587,147.24

Reconciliation

Total of All Payments Above		11,587,147.24
Reconciling Items		
DEDUCT TRANSFERS TO OTHER GOVERNMENTS NETTED AGAINST TAXATION REVENUE (F/S NOTE 12)	(4,061,525.00)	
ADD RENUMERATION PAID TO EMPLOYEES AND GOVERNMENT APPOINTED OFFICIALS	2,739,927.68	
ADD HOMEOWNER GRANT DEDUCTIONS INCLUDED IN TRANSFERS	246,470.84	
DEDUCTIONS (PER T4/T4A SUMMARY)	(841,949.59)	
DEDUCT RECOVERABLE GST INCLUDED IN PAYMENTS ABOVE	(264,192.49)	
ADD BANK CHARGED AUTOMATICALLY DEBITED	6,559.14	
ADD LEASE PAYMENTS	10,273.28	
CHANGE IN INVENTORIES	2,089.00	
ADD PREPAID EXPENSES 2024	25,341.51	
DEDUCT PREPAID EXPENSES 2025	(30,728.00)	
DEDUCT 2024 ACCOUNTS PAYABLE	(462,405.00)	
ADD 2025 ACCOUNTS PAYABLE	1,129,494.00	
UNRECONCILED DIFFERENCE	126.77	
	(1,500,517.86)	
Adjusted Total Payments		10,086,629.38

TOTAL EXPENDITURES PER CONSOLIDATED STATEMENT		
FINANCIAL ACTIVITIES	7,763,921.00	
ADD EXPENSE REIMBURSEMENT (employee expenses)	67,452.44	
LESS AMORTIZATION EXPENSE	(1,408,010.00)	
ADD CAPITAL EXPENDITURES	3,391,534.00	
WRITE-DOWN OF WATER TREATMENT PLANT	259,777.94	
DEDUCT LOSS ON DISPOSAL ADD GAIN	11,954.00	
		10,086,629.38
		0.00

District of Hudson's Hope
Schedule of Grants-in-aid
Date: Dec 31, 2025

HUDSON'S HOPE PUBLIC LIBRARY ASSOCIATION	132,153.67
HUDSON'S HOPE HISTORICAL SOCIETY	92,948.91
FRIENDS OF HUDSON'S HOPE	10,000.00
HOPE FOR HEALTH SOCIETY	2,000.00
HUDSON'S HOPE BUSINESS ASSOCIATION	850.00
HUDSON'S HOPE FALL FAIR SOCIETY	2,707.00
HUDSON'S HOPE HEALTH CARE & HOUSING SOC.	2,550.00
HUDSON'S HOPE MINOR HOCKEY ASSOCIATION	5,570.00
HUDSON'S HOPE SKI ASSOCIATION	10,000.00
LIONS CLUB	37,251.00
NORTH PEACE SENIORS HOUSING SOCIETY	7,208.00
PEACE VALLEY ARTS SOCIETY	848.00
Total	304,086.58

Consolidated Financial Statements of

DISTRICT OF HUDSON'S HOPE

And Independent Auditor's Report thereon

Year ended December 31, 2025

DISTRICT OF HUDSON'S HOPE

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HUDSON'S HOPE
PLAYGROUND OF THE PEACE

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the District of Hudson's Hope (the "District") are the responsibility of the District's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the District. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the District's consolidated financial statements.

[redacted]

Mrs. Crystal Brown
Chief Administrative Officer

[redacted]

Mrs. Tonia Alexander
Deputy Treasurer

CANADA peace country

KPMG LLP
177 Victoria Street, Suite 400
Prince George, BC V2L 5R8
Canada
Telephone (250) 563 7151
Fax (250) 563 5693

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of District of Hudson's Hope

Opinion

We have audited the consolidated financial statements of District of Hudson's Hope (the District), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2025 and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated 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 auditor's report.

We are independent of the District 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 Information

Management is responsible for the other information. The other information comprises:

- Information, other than the financial statements and the auditor's report thereon, included in Schedule 1 - COVID-19 Safe Restart Grant, and
  Schedule 2 - Growing Community Fund Reserve

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Information, other than the financial statements and the auditor's report thereon, included in Schedule 1 - COVID-19 Safe Restart Grant and Schedule 2 - Growing Communities Fund Reserve as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the 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.

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

Those charged with Governance are responsible for overseeing the District'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 the 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 District'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 District'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 District 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
- 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

Prince George, Canada

May 4, 2026

HUDSON'S HOPE
PLAYGROUND OF THE PEACE

DISTRICT OF HUDSON'S HOPE
Consolidated Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Financial assets:		
Cash and cash equivalents (note 2)	$ 10,355,988	$ 10,528,790
Accounts receivable (note 3)	1,323,828	256,089
Investments (note 4)	659,000	150,000
	12,338,816	10,934,879
Financial liabilities:		
Accounts payable and accrued liabilities (note 5)	1,129,494	462,405
Deferred revenue (note 6)	362,241	1,238,447
Asset retirement obligation (note 7)	717,699	702,456
	2,209,434	2,403,308
Net financial assets	10,129,382	8,531,571
Non-financial assets:		
Tangible capital assets (note 8)	27,194,902	25,213,335
Land held for resale (note 9)	88,363	88,363
Prepaid expenses	30,728	25,342
Inventories	90,534	92,623
	27,404,527	25,419,663
Accumulated surplus (note 10)	$ 37,533,909	$ 33,951,234

Commitments and contingencies (note 11)

See accompanying notes to consolidated financial statements.

[redacted]
Mayor

[redacted]
Chief Administrative Officer

DISTRICT OF HUDSON'S HOPE

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (note 16)	2025 Actual	2024 Actual
Revenue (note 18):			
Net taxation revenue (note 12)	$ 4,538,939	$ 4,567,107	$ 4,316,489
Grants in lieu of taxes	2,131,183	2,348,964	2,129,729
Sales of services and user charges (note 13)	877,723	486,596	455,643
Government transfers: (note 14)			
Provincial	7,371,540	3,398,229	1,379,182
Federal	107,033	107,033	107,033
Investment income	-	227,836	132,541
Other	186,282	210,831	169,613
Total revenue	15,212,700	11,346,596	8,690,230
Expenses (note 18):			
General government services and administration	2,698,274	2,886,912	2,646,359
Protective services	931,830	542,724	470,131
Public works services	2,116,590	1,375,503	1,526,946
Environmental and public health services	181,000	44,184	127,421
Economic development services	75,000	51,820	55,477
Recreation and cultural services	1,156,299	928,002	909,100
Planning, development and bylaw services	403,162	238,547	217,588
Sanitary sewer systems	897,450	222,424	198,152
Water utility systems	139,850	1,473,805	1,213,730
Total expenses	8,599,455	7,763,921	7,364,904
Annual surplus	6,613,245	3,582,675	1,325,326
Accumulated surplus, beginning of year	33,951,234	33,951,234	32,625,908
Accumulated surplus, end of year	$ 40,564,479	$ 37,533,909	$ 33,951,234

See accompanying notes to consolidated financial statements.

DISTRICT OF HUDSON'S HOPE

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (note 16)	2025	2024
Annual surplus	$ 6,613,425	$ 3,582,675	$ 1,325,326
Acquisition of tangible capital assets	(10,260,753)	(3,391,534)	(1,379,886)
Amortization of tangible capital assets	-	1,408,010	1,357,949
Gain on sale of tangible capital assets	-	(11,954)	(24,955)
Proceeds on sale of tangible capital assets	-	13,911	37,304
	(3,647,328)	1,601,108	1,315,738
Use of inventories	-	2,089	(8,274)
Use of prepaid expenses	-	25,342	120,262
Acquisition of prepaid expenses	-	(30,728)	(25,342)
Change in net financial assets	(3,647,328)	1,597,811	1,402,384
Net financial assets, beginning of year	8,531,571	8,531,571	7,129,187
Net financial assets, end of year	$ 4,884,243	$ 10,129,382	$ 8,531,571

See accompanying notes to consolidated financial statements.

DISTRICT OF HUDSON'S HOPE
Consolidated Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025 Actual	2024 Actual
Cash provided by (used in):		
Operating activities:		
Annual surplus	$ 3,582,675	$ 1,325,326
Items not involving cash:		
Amortization of tangible capital assets	1,408,010	1,357,949
Gain on sale of tangible capital assets	(11,954)	(24,955)
Changes in non-cash operating working capital:		
Accounts receivable	(1,067,739)	1,071,319
Inventories	2,089	(8,274)
Accounts payable and accrued liabilities	667,089	216,446
Prepaid expenses	(5,386)	94,920
Asset retirement obligation	15,243	-
Deferred revenue	(876,206)	185,354
	131,146	2,892,759
Capital activities:		
Proceeds on sale of tangible capital assets	13,911	37,304
Acquisition of tangible capital assets	(3,391,534)	(1,379,886)
	(3,377,623)	(1,342,582)
Investing activities:		
Purchase of investments	(509,000)	(150,000)
	(509,000)	(150,000)
(Decrease) increase in cash and cash equivalents	(172,802)	2,725,503
Cash and cash equivalents, beginning of year	10,528,790	7,803,287
Cash and cash equivalents, end of year	$ 10,355,988	$ 10,528,790

See accompanying notes to consolidated financial statements.

Nature of operations:

The District of Hudson's Hope (the "District") was incorporated in 1965 as a District Municipality under the Community Charter, formerly the Municipal Act, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water, sanitary sewer and fiscal services.

1. Significant accounting policies:

The consolidated financial statements of the District are prepared in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the District and which are owned or controlled by the District.

(ii) Accounting for Region and School Board Transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operation of the Region and the School Board are not reflected in these consolidated financial statements.

(iii) Trust funds:

Trust funds and their related operations administered by the District are not included in these consolidated financial statements.

1. Significant accounting policies (continued):

(b) Basis of accounting:

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand less outstanding cheques and deposits with a maturity of less than three months at the time of purchase and term deposits with a maturity of less than one year at acquisition. When outstanding cheques are in excess of cash on hand, the excess is reported in bank indebtedness.

(d) Investments:

Investments are recorded at cost, adjusted for amortization of premiums or discounts. Provisions for losses are recorded when they are considered to be other than temporary.

(e) Revenue recognition:

The District recognizes revenue in accordance with the provisions of the Community Charter. The District is required to act as the agent for the collection of certain taxes and fees imposed by other authorities. Collections for other authorities are excluded from the District's taxation revenues.

The District is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

Revenue from the sales of services and user charges, as well as other revenue, are recorded as revenue when the performance obligations are met.

Revenue unearned in the current period is reported on the consolidated statement of financial position as deferred revenue.

1. Significant accounting policies (continued):

(f) Government transfers:

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the statements of operations as stipulations for liabilities are settled.

(g) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding agency or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(h) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

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

Asset	Useful life - years
Building and site improvements	10 - 50
Machinery and equipment	5 - 25
Road infrastructure	15 - 40
Water and sanitary sewer infrastructure	15 - 40

1. Significant accounting policies (continued):

(h) Non-financial assets (continued):

(i) Tangible capital assets (continued):
Annual amortization is charged in the year that an asset becomes available for productive use and in the year of disposal.

Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions to tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Interest capitalization:

The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(iv) Land held for resale:

Land held for sale is recorded at the lower of cost and net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing.

(v) Inventories:

Inventories consist of crushed gravel and sand. Inventories are valued at the lower of cost and replacement cost with cost determined using a moving average basis.

1. Significant accounting policies (continued):

(i) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently measured at cost or amortized cost, unless the District has elected to carry the instruments at fair value. The District has not elected to carry any such financial instruments at fair value.

Unrealized changes in fair value would be recognized on the consolidated statement of remeasurement gains and losses. They are recorded in the consolidated statement of operations when they are realized. There are no unrealized changes in fair value as at December 31, 2025 and December 31, 2024. As a result, the District does not have a consolidated statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost or amortized cost are included in the cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the consolidated statement of operations.

(j) Use of estimates:

The preparation of the consolidated financial statements 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 financial statements and the reported amounts of revenue and expenses during the period. Items subject to such estimates and assumptions include the carrying amount of tangible capital assets, accounts payable and accrued liabilities and asset retirement obligations. Actual results could differ from these estimates.

1. Significant accounting policies (continued):

(k) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

i) an environmental standard exists;
ii) contamination exceeds the environmental standard;
iii) the organization is directly responsible or accepts responsibility for the liability;
iv) future economic benefits will be given up, and
v) a reasonable estimate of the liability can be made.

(l) Asset retirement obligations:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- 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.

The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the amortization policies outlined in (h)(i).

1. Significant accounting policies (continued):

(m) Future accounting pronouncements::

These standards and amendments were not effective for the year ended December 31, 2025, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

(i) Concepts Underlying Financial Performance. The revised conceptual framework will replace the existing conceptual framework, which consists of Section PS 1000, Financial Statement Concepts, and Section PS 1100, Financial Statement Objectives. The conceptual framework is to be adopted prospectively. This revised conceptual framework is effective for fiscal years beginning on or after April 1, 2026.

(ii) PS 1202, Financial Statement Presentation, will replace the current section PS 1201. The Village is currently assessing the impact of this standard on the future consolidated financial statements. Prior period amounts would need to be restated to conform to the presentation requirements for comparative financial information. This standard is effective for fiscal years beginning on or after April 1, 2026.

(iii) PS 3251, Employee Benefits, will replace the current sections PS 3250 and PS 3255. The proposed section is currently undergoing discussions where further changes are expected as a result of the re-exposure comments. Effective date is currently not determined.

2. Cash and cash equivalents:

The District has established a $200,000 operating line of credit, which bears interest at prime and is secured by term deposits and accounts receivable. As at December 31, 2025 borrowing against the operating line of credit was nil (2024 - nil).

3. Accounts receivable:

	2025	2024
Grants	$ 272,054	$ 120,333
BC Hydro	782,702	-
Sales tax	124,315	39,037
Other	91,366	23,480
Taxes	53,391	73,239
	$ 1,323,828	$ 256,089

4. Investments:

	Maturity	Interest Rate	2025	2024
Term Deposit - Beem Credit Union	April 2026	3.15%	$ 428,000	$ -
Term Deposit - Beem Credit Union	April 2026	3.15%	231,000	-
Term Deposit - Beem Credit Union	August 2025	4.70%	-	150,000
			$ 659,000	$ 150,000

5. Accounts payable and accrued liabilities:

	2025	2024
Accounts payable - trade	$ 937,199	$ 289,435
Wages and related costs payable	188,170	155,467
Government remittances	2,300	15,678
Cemetery	1,825	1,825
	$ 1,129,494	$ 462,405

6. Deferred revenue:

	2024	Contributions received	Contributions brought into revenue	2025
BC Hydro	$ 491,763	$ -	$ (341,763)	$ 150,000
Province of BC	736,306	42,000	(601,258)	177,048
Northern Health	10,378	-	(10,378)	-
UBCM	-	86,010	(50,817)	35,193
	$ 1,238,447	$ 128,010	$ (1,004,216)	$ 362,241

7. Asset retirement obligation:

The District owns and operates several buildings, as well as water and sewer infrastructure that are known to have hazardous material, which represents a health hazard upon demolition or removal of the assets and there is a legal obligation to remove it. Following the adoption of PS 3280 - Asset Retirement Obligations, the District recognized an obligation relating to the removal and post-removal care of the hazardous materials.

	2025	2024
Asset retirement obligation, beginning of year	$ 702,456	$ 702,456
Increase in obligation	15,243	-
Asset retirement obligation, end of year	$ 717,699	$ 702,456

8. Tangible capital assets:

	2025							
	Land	Buildings and site improvements	Machinery and equipment	Road infrastructure	Water infrastructure	Sanitary sewer infrastructure	Work in progress	Total
Cost:								
Balance, beginning of year	$ 2,181,118	$ 10,828,003	$ 9,183,991	$ 7,109,835	$ 8,922,175	$ 4,775,930	$ 321,629	$ 43,322,681
Additions	235,000	635,187	943,705	-	577,326	19,662	980,654	3,391,534
Disposals	-	-	(89,958)	-	-	-	-	(89,958)
Balance, end of year	2,416,118	11,463,190	10,037,738	7,109,835	9,499,501	4,795,592	1,302,283	46,624,257
Accumulated amortization:								
Balance, beginning of year	-	5,125,864	4,274,579	4,193,749	3,363,269	1,151,885	-	18,109,346
Amortization expense	-	265,790	491,872	135,140	400,539	114,669	-	1,408,010
Disposal	-	-	(88,001)	-	-	-	-	(88,001)
Balance, end of year	-	5,391,654	4,678,450	4,328,889	3,763,808	1,266,554	-	19,429,355
Net book value, end of year	$ 2,416,118	$ 6,071,536	$ 5,359,288	$ 2,780,946	$ 5,735,693	$ 3,529,038	$ 1,302,283	$ 27,194,902

8. Tangible capital assets (continued):

2024	Land	Buildings and site improvements	Machinery and equipment	Road infrastructure	Water infrastructure	Sanitary sewer infrastructure	Work in progress	Total
Cost:								
Balance, beginning of year	$ 2,173,987	$ 10,696,869	$ 8,555,867	$ 7,090,589	$ 8,876,378	$ 4,763,386	$ 49,635	$ 42,206,711
Additions	7,131	159,577	863,597	19,246	45,797	12,544	271,994	1,379,886
Disposals	-	(28,443)	(235,473)	-	-	-	-	(263,916)
Balance, end of year	2,181,118	10,828,003	9,183,991	7,109,835	8,922,175	4,775,930	321,629	43,322,681
Accumulated amortization:								
Balance, beginning of year	-	4,891,930	4,049,167	4,057,985	2,966,544	1,037,338	-	17,002,964
Amortization expense	-	255,457	455,456	135,764	396,725	114,547	-	1,357,949
Disposal	-	(21,523)	(230,044)	-	-	-	-	(251,567)
Balance, end of year	-	5,125,864	4,274,579	4,193,749	3,363,269	1,151,885	-	18,109,346
Net book value, end of year	$ 2,181,118	$ 5,702,139	$ 4,909,412	$ 2,916,086	$ 5,558,906	$ 3,624,045	$ 321,629	$ 25,213,335

9. Land held for resale:

Land held for resale consists of four lots in relation to the Lucas subdivision.

	2025	2024
Net book value of land held for resale	$ 88,363	$ 88,363

10. Accumulated surplus:

	2025	2024
Surplus (deficit):		
Invested in tangible capital assets	$ 26,492,448	$ 24,510,879
General fund	8,019,590	5,275,228
Water utility fund	(1,104,603)	42,790
Sanitary sewer utility fund	(210,405)	104,438
	33,197,030	29,933,335
Reserve funds set aside for specific purposes by Council:		
Public works, infrastructure and equipment	2,502,052	2,304,204
General capital and office equipment	1,108	63,632
Water capital, infrastructure and equipment	303,576	26,185
Sewer capital, infrastructure and equipment	343,810	109,124
Tax sale properties	237,118	230,759
Community hall	154,289	185,110
Land	204,487	427,648
Growing Communities Fund	590,439	671,237
	4,336,879	4,017,899
	$ 37,533,909	$ 33,951,234

11. Commitments and contingencies:

(a) The District is responsible, as a member of the Peace River Regional District, for its portion of any operating deficits or capital debt related to functions in which it participates. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

(b) The District and its employees contribute to the Municipal Pension Plan (a jointly trusteed 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 governments.

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 next valuation will be as at December 31, 2027.

The District paid $162,989 (2024 - $148,902) for employer contributions to the plan in fiscal 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during 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.

11. Commitments and contingencies (continued):

(c) The District is obligated to collect and transmit property taxes levied on Hudson's Hope taxpayers in respect of the following bodies:

Ministry of Education, Province of British Columbia
Peace River Regional District
British Columbia Assessment Authority
Municipal Finance Authority
Peace River Regional Hospital District
Royal Canadian Mounted Police

(d) The District is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claim in excess of premiums received, it is possible that the District, along with other participants, would be required to contribute toward the deficit. Management does not consider external payment under this contingency to be likely and therefore no amounts have been accrued.

(e) The District has entered into a contract with Hudson's Hope Public Library Association (the "Library") to provide financial assistance to the Library for library services. The term of the contract is for four years commencing on January 1, 2022 with annual payments consisting of $125,638 plus 1.7% per year to be paid to the Library

(f) The District has entered into a contract with Hudson's Hope Historical Society and Museum (the "Museum") to provide financial assistance towards the operations of the Museum. The term of the contract is three years commencing on May 5, 2025 with annual payments consisting of $92,949 plus 1.5% per year to be paid to the Museum.

(g) The District may, from time to time, be involved in legal proceedings, claims and litigation that arise in the normal course of business. At December 31, 2025, there is a claim outstanding and management has determined the outcome to be undeterminable and thus no accrual has been recorded. It is considered that the potential claim would not materially affect the District’s financial statements and any amounts ultimately settled will be recorded in the period which the claim is resolved.

12. Net taxation revenue:

The District is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below:

	2025	2024
Taxes collected:		
General purposes	$ 4,563,611	$ 4,305,667
Collections for other governments	4,065,021	3,951,286
	8,628,632	8,256,953
Less transfers to other governments:		
Province of British Columbia - school taxes	3,327,067	3,222,905
Peace River Regional District	269,635	268,632
Peace River Regional Hospital District	295,506	286,540
Royal Canadian Mounted Police	123,539	118,112
B.C. Assessment Authority	45,674	44,175
Municipal Finance Authority	104	100
	4,061,525	3,940,464
	$ 4,567,107	$ 4,316,489

13. Sales of services and user charges:

The District recognizes sales of services and user charges as revenues in the period in which the services are provided. The sales of services and user charges reported on the consolidated statement of operations and accumulated surplus are as follows:

	2025	2024
Water utility	$ 159,998	$ 129,456
Sewer system	84,562	78,245
General government services	33,555	36,699
Planning, development and bylaw services	6,376	8,320
Environmental and public health services	92,669	88,383
Recreation and cultural services	109,436	114,540
	$ 486,596	$ 455,643

14. Government transfers:

	2025	2024
Revenue:		
Provincial grants:		
LGPS Firesmart Grant (UBCM)	$ 92,485	$ -
BC Hydro	1,478,436	49,730
Federation of Canadian Municipalities	10,000	10,000
Northern Development Initiative Trust	171,311	-
Peace River agreement - Fair Share	603,891	679,958
Small Community grant	316,000	350,500
Tourism BC grant	15,000	18,750
Northern Health	10,378	-
Canada Summer Student grant	9,969	12,065
Economic Development Capacity Building grant	50,000	47,619
Capacity Funding for Local Government Housing	82,266	72,432
Self Contained Breathing Apparatus Replacement	-	24,182
Indigenous Engagement grant	34,166	11,670
Local Government Development grant	22,000	22,000
Kendrick Lift Station upgrade grant	462,327	67,188
EOC Portable Kits/ Training Grant (UBCM)	40,000	13,088
	3,398,229	1,379,182
Federal grants:		
Gas tax	107,033	107,033
	$ 3,505,262	$ 1,486,215

15. Trust fund:

The District maintains a cemetery perpetual care fund in accordance with the Cemeteries and Funeral Services Act. As at December 31, 2025, the trust fund balance for both the liability and its corresponding term deposit is $20,062 (2024 - $19,530).

16. Budget data:

The budget data presented in these consolidated financial statements is based upon the 2025 operating and capital budgets approved by Council on May 5, 2025. Amortization was not contemplated on development of the budget and, as such, has not been included. The table below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget amount
Revenues:	
Operating budget	$ 19,343,312
Capital operations budget	10,261,253
Less:	
Collections for other governments	(4,130,612)
Transfers from reserves	(1,728,199)
Transfer to capital	(8,533,054)
	15,212,700
Expenses:	
Operating budget	21,340,070
Capital operations budget	10,260,753
Less:	
Payments to other governments	(4,130,612)
Transfers to reserves	(76,949)
Transfer to capital	(8,533,054)
Capital expenditures	(10,260,753)
	8,599,455
	$ 6,613,245

17. Significant taxpayers:

The District derives a significant portion of its taxation revenue from the utility sector. Any changes in this sector could have an impact on the ongoing operations of the District.

18. Segmented information:

Segmented information has been identified based upon lines of services provided by the District. District services are provided by the departments and their activities are reported by functional area in the body of the consolidated financial statements. Certain lines of services that have been separately disclosed in the segmented information, are as follows:

(i) General Government Services and Administration:

The general government services and administration provides the functions of corporate administration and legislative services and any other functions categorized as non-departmental in the District.

(ii) Protective Services:

Protective services is comprised of the fire department and other community protection costs incurred by the District.

(iii) Public Works Services:

The public works department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, the maintenance of parks and open space, and street lighting in the District.

(iv) Environmental and Public Health Services:

Environmental and public health services is responsible for environmental programs such as waste management, which encompasses garbage collection and recycling. This segment is also responsible for rental of the doctor's office in the District.

18. Segmented information: (continued):

(v) Environment Development Services:

Environmental development services is responsible for community and economic development, in regard to community development projects.

(vi) Planning, Development and Bylaw Services:

Planning, development and bylaw services is responsible for community planning (OCP), zoning, bylaw enforcement, animal control and building inspection in the District.

(vii) Recreation and Culture Services:

Recreational and cultural services provides various recreational and cultural opportunities to the residents and visitors of the District, including the library, pool, arena, community hall, tourism information centre and museum.

(viii) Water Utility Systems:

The water utility installs and maintains water mains, pump stations and the water treatment plant. The treatment and distribution of water in the District is included in this segment.

(ix) Sanitary Sewer Systems

The sanitary sewer utility installs and maintains sewer mains, lift stations and the sewage treatment facility. The collection and treatment of sewage in the District is included in this segment.

Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation and payments-in-lieu of taxes are allocated to the segments based on the segment that generated the revenue. Development charges earned and developer contributions received were allocated to the segment for which the charge was collected.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1.

18. Segmented information: (continued):

2025	General Government Services and Administration	Protective Services	Public Works Services	Environmental and Public Health Services	Economic Development Services	Planning, Development and Bylaw Services	Recreation and Culture Services	Water Utility System	Sanitary Utility System	Total
Revenue:										
Taxation	$ 4,567,107	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,567,107
Government transfers	2,026,826	-	-	-	-	-	-	1,478,436	-	3,505,262
Grants in lieu	2,348,964	-	-	-	-	-	-	-	-	2,348,964
Sales of services and user charges	32,880	-	-	92,669	-	6,426	109,386	160,673	84,562	486,596
Other	210,831	-	-	-	-	-	-	-	-	210,831
Investment income	227,836	-	-	-	-	-	-	-	-	227,836
Total revenues	9,414,444	-	-	92,669	-	6,426	109,386	1,639,109	84,562	11,346,596
Expenses:										
Salaries, wages and employee benefits	1,153,462	275,671	1,022,079	-	-	-	413,385	198,107	43,584	3,106,288
Operating	392,616	219,148	300,115	44,959	1,820	41,173	514,146	866,796	52,694	2,433,467
Legislature	181,801	-	-	-	-	214	-	-	-	182,015
Amortization	881,326	-	-	-	-	-	-	400,538	126,146	1,408,010
Interest	908	-	-	-	-	-	-	-	-	908
Insurance	184,689	3,349	53,309	-	-	2,162	471	-	-	243,980
Professional services	92,110	44,556	-	-	50,000	194,998	-	8,364	-	390,028
Garbage disposal	-	-	-	(775)	-	-	-	-	-	(775)
Total expenses	2,886,912	542,724	1,375,503	44,184	51,820	238,547	928,002	1,473,805	222,424	7,763,921
Annual surplus (deficit)	$ 6,527,532	$ (542,724)	$ (1,375,503)	$ 48,485	$ (51,820)	$ (232,121)	$ (818,616)	$ 165,304	$ (137,862)	$ 3,582,675

18. Segmented information: (continued):

2024	General Government Services and Administration	Protective Services	Public Works Services	Environmental and Public Health Services	Economic Development Services	Planning, Development and Bylaw Services	Recreation and Culture Services	Water Utility System	Sanitary Utility System	Total
Revenue:										
Taxation	$ 4,316,489	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,316,489
Government transfers	1,453,300	-	-	-	-	-	-	32,915	-	1,486,215
Grants in lieu	2,129,729	-	-	-	-	-	-	-	-	2,129,729
Sales of services and user charges	36,699	-	-	88,383	-	8,320	114,540	129,456	78,245	455,643
Other	169,613	-	-	-	-	-	-	-	-	169,613
Investment income	132,541	-	-	-	-	-	-	-	-	132,541
Total revenues	8,238,371	-	-	88,383	-	8,320	114,540	162,371	78,245	8,690,230
Expenses:										
Salaries, wages and employee benefits	964,865	246,391	1,177,765	-	-	-	316,413	205,012	35,576	2,946,022
Operating	346,450	188,617	301,724	62,402	55,477	41,252	591,777	611,527	36,772	2,235,998
Legislature	195,621	-	-	-	-	1,579	-	-	-	197,200
Amortization	834,954	-	-	-	-	-	-	397,191	125,804	1,357,949
Insurance	233,679	3,334	47,457	-	-	2,143	910	-	-	287,523
Professional services	70,790	31,789	-	-	-	172,614	-	-	-	275,193
Garbage disposal	-	-	-	65,019	-	-	-	-	-	65,019
Total expenses	2,646,359	470,131	1,526,946	127,421	55,477	217,588	909,100	1,213,730	198,152	7,364,904
Annual surplus (deficit)	$ 5,592,012	$ (470,131)	$ (1,526,946)	$ (39,038)	$ (55,477)	$ (209,268)	$ (794,560)	$ (1,051,359)	$ (119,907)	$ 1,325,326

19. Comparative information

Certain 2024 comparative information has been reclassified. The changes had no impact on prior year annual surplus.

DISTRICT OF HUDSON'S HOPE
Schedule 1 - COVID-19 Safe Restart Grant

Year ended December 31, 2025
(Unaudited)

In November 2020, the District of Hudson's Hope was the recipient of a $499,000 grant under the COVID-19 Safe Restart for Local Governments program from the Province of BC. Due to the conditions of use this grant funding allows local governments to use the funding where the greatest need arises, the initial $499,000 amount received was considered revenue in 2020 and included in grant revenue on the consolidated statement of operations and accumulated surplus. The District allocated $94,836 within 2025 to cover operational costs and technology upgrades within the District.

		2025
Balance of COVID-19 Safe Restart grant funds at December 31, 2024	$	94,836
Less amount utilized in 2025:		
Council chambers live stream system		10,625
Software & website upgrades		14,541
Protective services/emergency management/bylaw enforcement (wages, training, travel)		20,062
Council chambers renovations (chairs, electrical, TV's)		45,151
Office computers & small accessories		4,457
		94,836
Remaining COVID-19 Safe Restart grant	$	-

DISTRICT OF HUDSON'S HOPE
Schedule 2 - Growing Communities Fund

Year ended December 31, 2025
(Unaudited)

The Province of British Columbia distributed conditional Growing Communities Fund (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 District received $905,000 of GCF funding in March 2023.

		2025
Growing Communities Fund carried forward	$	671,237
Interest		12,356
		683,593
Less amount utilized in 2025:		
Arena upgrade - condition assessment balance		11,453
Arena upgrade - freon detection		26,185
Marquee Tent - pool park		11,398
Water treatment plant - emergency pump		44,118
		590,439
Future project expenditures:		
Pool upgrades		78,083
Hydrant & valve replacement		20,000
Beryl Prairie water		200,000
Residential water stands keypad		25,000
Reservoir capital upgrade		40,000
SCADA software and monitoring		90,000
Water general		25,000
Unallocated future projects		22,356
Community hall feasibility		90,000
		590,439
	$	-