TOWN OF LOCKEPORT

Financial Statements

Year Ended March 31, 2026

Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS

Member of The AC Group of Independent Accounting Firms

TOWN OF LOCKEPORT

CONTENTS

TOWN OF LOCKEPORT

Consolidated Financial Statements

Year Ended March 31, 2026

Section A

TOWN OF LOCKEPORT

SECTION A

Contents

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Town of Lockeport (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada (CPA Canada). A summary of the significant accounting policies are described in Note 3 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town'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.

The audit committee meets 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 Belliveau Veinotte Inc., independent external auditors appointed by the Town. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

June Harding
Town Clerk

Derek Amalfa
Mayor

Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS
Member of The AC Group of Independent Accounting Firms

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INDEPENDENT AUDITOR'S REPORT

His Worship the Mayor and
Members of the Council
Town of Lockeport
Lockeport, Nova Scotia

Opinion

We have audited the accompanying consolidated financial statements of the Town of Lockeport (the "Town"), which comprise the consolidated statement of financial position as at March 31, 2026 and the consolidated statement of financial activities, changes in financial position and changes in net financial assets (liabilities) for the year then ended, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town of Lockeport as at March 31, 2026, and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Consolidated Financial Statements section of our report. We are independent of the Town in accordance with 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 matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in Section B is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion on the audit of consolidated financial statements taken as a whole.

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

Management is responsible for the preparation and fair presentation of these 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 Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Consolidated 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 Town'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 Town'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 Town 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.

Belliveau Veinotte Inc.

REGISTERED MUNICIPAL AUDITORS
CHARTERED PROFESSIONAL ACCOUNTANTS

Shelburne, Nova Scotia
August 14, 2026

TOWN OF LOCKEPORT
Consolidated Statement of Financial Position
Year Ended March 31, 2026

	2026	2025
FINANCIAL ASSETS		
Cash and bank balances - *(Note 5 - A-11)*	$ 776,021	$ 842,957
Taxes (net of asset valuation allowance) - (Note 4 - A-11)	179,545	162,321
Due from provincial government and its agencies		
Conditional transfers	45,775	238,716
Other receivables	38,373	38,373
	$ 1,039,714	$ 1,282,367
LIABILITIES		
Short-term debt - *(Note 6- A-11)*	$ -	$ -
Prepaid taxes	18,866	50,745
Accounts payable/deferred revenue	258,187	208,077
Long-term debt - *(Note 7 - A-11, A-12)*	784,938	646,588
Tax sale surplus - *(Note 15 - A-16)*	88,413	88,413
Pension plan liability - *(Note 12 - A-13)*	31,905	40,759
Total Liabilities	1,182,309	$ 1,034,582
NET FINANCIAL ASSETS	$ (142,595)	$ 247,785
NON-FINANCIAL ASSETS		
Prepaid expense	35,386	35,386
Capital projects in progress	-	92,386
Tangible capital assets (net of accumulated amortization) - *(Note 19 - A-17 - A-18)*	4,073,696	3,343,965
Properties acquired at tax sale	2,438	2,438
	4,111,520	3,474,175
Asset Valuation Allowances - properties acquired at tax sale	(2,438)	(2,438)
NET ASSETS	3,966,487	3,719,522
MUNICIPAL POSITION		
Surplus	-	-
Reserve funds	365,486	764,814
Investment in capital assets	3,601,000	2,954,708
TOTAL MUNICIPAL POSITION	$ 3,966,487	$ 3,719,522

Commitment - *(Note 10 - A-13)*

See accompanying notes to the consolidated financial statements

On behalf of the Town of Lockeport

______________________________ Mayor

______________________________ Town Clerk

TOWN OF LOCKEPORT
Consolidated Statement of Financial Activities
Year Ended March 31, 2026

	2026 Budget	2026 Actual	2025 Actual
REVENUES			
Assessable property taxes (net of school board appropriations)	$ 1,267,403	$ 1,265,431	$ 1,206,965
Grants in lieu of taxes	18,927	22,773	23,395
Services to other governments	57,386	77,231	52,079
Sales of services	950	1,455	4,163
Other revenue from own sources	66,658	143,339	91,872
Unconditional transfers from other governments	158,081	158,072	158,081
Conditional transfers from federal and provincial governments or agencies	28,571	273,795	519,215
	$ 1,597,976	$ 1,942,096	$ 2,055,770
EXPENDITURES			
General government services	$ 358,375	$ 339,256	$ 330,951
Protective services	315,997	362,548	336,415
Transportation services	270,832	314,285	272,078
Environmental health services	322,558	345,974	339,480
Public health services	9,210	7,372	11,725
Environmental development services	76,207	63,437	88,209
Recreation and cultural services	133,455	262,259	273,717
	1,486,634	1,695,131	1,652,575
NET REVENUES FOR THE YEAR	$ 111,342	246,965	403,195
Municipal Position, beginning of year		3,719,522	3,316,327
MUNICIPAL POSITION, END OF YEAR		$ 3,966,487	$ 3,719,522

See accompanying notes to the consolidated financial statements

TOWN OF LOCKEPORT
Consolidated Statement of Changes in Financial Position
Year Ended March 31, 2026

	2026	2025
OPERATING ACTIVITIES		
Net revenues for the year	$ 246,965	$ 403,195
Amortization of tangible capital assets	296,317	204,091
	543,282	607,286
Sources of Cash		
Decrease in receivables	175,717	-
Increase in prepaid taxes	-	29,948
Increase in accounts payable	50,110	-
Decrease in non-financial assets	1	2
	225,828	29,950
Uses of Cash		
Increase in accounts receivable	-	(309,031)
Decrease in accounts payable	-	(41,165)
Decrease in pension liability	(8,854)	(8,854)
Decrease in prepaid taxes	-	-
	(40,733)	(359,050)
Cash flow from operating activities	728,377	278,186
FINANCING ACTIVITIES		
Principal repayment	(85,155)	(87,837)
Debenture issued during the year	223,505	-
Cash flow from (used by) financing activities	138,350	(87,837)
CAPITAL ACTIVITIES		
Change in capital projects in progress	92,386	(38,775)
Purchase of tangible capital assets	(1,026,049)	(598,470)
Cash flow used by capital activities	(933,663)	(637,245)
INCREASE IN CASH AND BANK BALANCES	(66,936)	(446,896)
Cash and cash equivalents		
Beginning of year	842,957	1,289,853
CASH AND BANK BALANCES - END OF YEAR	$ 776,021	$ 842,957
Cash consists of:		
Cash and bank balances	$ 776,021	$ 842,957
Short-term debt	-	-
	$ 776,021	$ 842,957

See accompanying notes to the consolidated financial statements

TOWN OF LOCKEPORT

Consolidated Statement of Changes in Net Financial Assets (Liabilities)

Year Ended March 31, 2026

	2026 Budget	2026 Actual	2025 Actual
Annual Surplus	$ -	$ 246,965	$ 403,195
Change in capital projects in progress		92,386	(38,775)
Acquisition of tangible capital assets	-	(1,026,049)	(598,470)
Amortization of tangible capital assets	-	296,317	204,091
Changes in other non-financial assets	-	1	2
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	-	(390,380)	(29,957)
Net financial assets, beginning of year	-	247,785	277,742
NET FINANCIAL ASSETS, END OF YEAR	$ -	(142,595)	$ 247,785

See accompanying notes to the consolidated financial statements

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

1. **Status of Entity**
   The incorporated Town of Lockeport ("the Town") is a municipal government that was incorporated in 1907 pursuant to the Municipal Government Act. The Town provides or funds municipal services such as public works, recreation and culture, economic development and other general government.

2. **Accounting Policies**
   The consolidated financial statements of the Town of Lockeport are prepared by management in accordance with generally accepted accounting principles, as recommended by the Public Sector Accounting Board ("PSAB") of Chartered Professional Accountants (CPA) of Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

   (a) Reporting Entity
   The consolidated financial statements reflect the assets, liabilities, revenues, expenses and changes in fund balances and in financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Town and which are owned or controlled by the Town.

   Interdepartmental and organizational transactions and balances are eliminated.

   (b) Basis of Accounting
   The basis of accounting followed in the consolidated financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period in which the goods and services acquired and a liability is incurred or transfers are due.

   (c) Fund Accounting
   In accordance with practices common to Nova Scotia Municipality, the Town follows the fund basis of accounting. The capital fund is used principally to account for assets acquired or obligations incurred which are to be financed from the future revenue of the Town and it is the annual interest cost of this financing that is paid from current (operating fund) operations. Reserve funds are generally created by appropriations from current operations. The uses of these funds are restricted to the purpose for which the reserve funds are created.

   (d) Use of Estimates
   The preparation of consolidated 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 and disclosure of contingent assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

   (e) Revenue Recognition
   All non-government contributions or grant revenues that are externally restricted such that they must be used for a specified purpose are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Any externally restricted inflow received before the criterion has been met is reported as a liability until the resources are used for the purposes or purposes specified.

   Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

2. Accounting Policies - continued

(f) Government Transfers
Government transfers received are recognized in the consolidated financial statements as revenue when the transfers are authorized and all eligibility criteria have been met when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers to individual and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

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

Land improvements	25 years
Buildings	40 years
Equipment	5 - 15 years
Vehicles	7 - 12 years
Streets/Sidewalks	25 - 30 years
Sewer System	40 years

Amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

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

When conditions indicate that a tangible capital asset no longer contributes to the Town's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital assets is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. The net write-down of tangible capital assets are accounted for as an expense in the statement of operations and such write-downs are not reversed.

(h) Cash and bank

Cash and bank include cash on hand and balances with banks, and bank overdrafts.

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

2. Accounting Policies - continued

(i) 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 would be recorded net of any expected recoveries. A liability for remediation of contaminated sites would be recognized if an environmental standard exists, contamination exceeds the standard, the Town is responsible and a reasonable estimate of the amount can be determined. As of March 31, 2026 there are no known contaminated sites.

3. Contributions to Boards and Commissions

Board in which the Town has less than 100% interest.

The Town of Lockeport is required to finance the operations of the various Boards and Commissions along with other Municipal Units in Shelburne County to the extent of its participation based on assessment or population formula.

In addition to any budgeted contributions, the Municipal Units share in the surpluses of these Boards based on their sharing percentage. Municipal Units share of the deficit is provided for in the current year while a surplus is to be taken into the current year's revenues.

- Joint Expenditure Board - 7.00% Interest
  In 2026, the Town contributed $158,099 (2025 - $164,263) as its share of operation for the Joint Expenditure Board which administers the Building Inspector Department and provides solid waste collection services for this Municipal Unit, the Town of Shelburne, and the Municipality of the District of Shelburne.

- Western County Regional Library Board
  During 2026, the Town contributed $4,700 (2025 - $4,900) to the Western County Regional Library Board. Any surplus or deficit experienced by the Board is transferred to or from the Library Development Fund of the Board each year.

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

4. Taxes Receivable

	Current Year	Prior Years	2026 TOTAL	2025 TOTAL
Balance, beginning	$ -	$ 135,049	$ 135,049	$ 91,769
Current year's levy	1,406,157	-	1,406,157	1,334,691
	1,406,157	135,049	1,541,206	1,426,460
Collections	1,312,723	82,186	1,394,909	1,291,411
Reduced taxes		-	-	-
	1,312,723	82,186	1,394,909	1,291,411
Balance, ending	93,434	52,863	146,297	135,049
Penalties and interest on taxes outstanding	13,432	19,816	33,248	27,272
Less: allowance for doubtful accounts				-
Taxes receivable	$ 106,866	$ 72,679	$ 179,545	$ 162,321

5. Cash and bank

	2026	2025
Unrestricted cash balance	$ 538,888	$ 590,270
Restricted cash balance	237,133	252,687
Balance, ending	$ 776,021	$ 842,957

6. Short-Term Debt

	2026	2025
Nova Scotia Municipal Finance Corporation (NSMFC)	$ -	$ -

- repayable on demand
- interest caclulated at rate equal to the 90 day Canada Dollar overnight rate, a daily calculation of the mean bank rates of Royal Bank of Canada, Bank of Nova Scotia and Toronto-Dominion Bank

7. Long-Term Debt

	2026	2025
Nova Scotia Municipal Finance Corporation (NSMFC) #3 - repayable in annual instalments of $4,667 plus interest - interest calculated at 2.769% - 3.792% - interest payable semi-annually	18,663	23,330
Nova Scotia Municipal Finance Corporation (NSMFC) #4 - repayable in annual instalments of $16,000 plus interest - interest calculated at 2.134% - 2.894% - interest payable semi-annually	-	16,000
Nova Scotia Municipal Finance Corporation (NSMFC) #5 - repayable in annual instalments of $5,000 plus interest - interest calculated at 2.83% - 3.551% - interest payable semi-annually	40,000	45,000
	$ 58,663	$ 84,330

TOWN OF LOCKEPORT

Notes to Consolidated Financial Statements
Year Ended March 31, 2026

	2026	2025
7. Long-Term Debt (Continued)		
Brought forward	$ 58,663	$ 84,330
Nova Scotia Municipal Finance Corporation (NSMFC) #6 - repayable in annual instalments of $7,140 plus interest - interest calculated at 0.4% - 2.376% - interest payable semi-annually	42,836	49,976
Nova Scotia Municipal Finance Corporation (NSMFC) #7 - repayable in annual instalments of $36,765 plus interest - interest calculated at 2.575% - 3.7820% - interest payable semi-annually	257,355	294,120
Nova Scotia Municipal Finance Corporation (NSMFC) #8 - repayable in annual installments of $15,583 plus interest - interest calculated at 4.897 % - 5.463% - interest payable semi-annually	202,579	218,162
Nova Scotia Municipal Finance Corporation (NSMFC) #9 - repayable in annual installments of $14,900 plus interest - interest calculated at 2.511% - 4.418% - interest payable semi-annually	223,505	-
	$ 784,938	$ 646,588

All long-term debt outstanding as at year end has been properly authorized by Service Nova Scotia and Municipal Relations.

Principal repayments required in each of the following fiscal years:

	2027	2028	2029	2030	2031	Thereafter
NSMFC #3	4,667	4,667	4,667	4,662	-	-
NSMFC #5	5,000	5,000	5,000	5,000	5,000	15,000
NSMFC #6	7,140	7,140	7,140	7,140	7,140	7,136
NSMFC #7	36,765	36,765	36,765	36,765	36,765	73,530
NSMFC #8	15,583	15,583	15,583	15,583	15,583	124,664
NSMFC #9	14,900	14,900	14,900	14,900	14,900	149,005
	$ 84,055	$ 84,055	$ 84,055	$ 84,050	$ 79,388	$ 369,335

	2026	2025
8. Total Municipal Position		
Special Reserves Funds	$ 365,486	$ 764,814
Fund Balances		
General Operating	-	-
Investment in Capital Assets		
General Capital	3,601,000	2,954,708
	$ 3,966,487	$ 3,719,522

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

9. Comparative Figures

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year's financial statements.

10. Commitments

Inter-Municipal Service Agreement

Commencing April 1, 2021, the Town of Lockeport entered into a shared services agreement with the Municipality of the District of Shelburne and Town of Shelburne. The Municipality of the District of Shelburne will offer brush pile remediation services, building and fire inspection services to the Town of Lockeport. The agreement has been extended to, March 31, 2027.

11. School Capital Fund

During 1982, the Town of Lockeport joined with the other municipalities of Shelburne County to form the Shelburne County District School Board. Under the agreement, all school buildings on hand at December 31, 1981 will remain assets of the municipality but will be under the operational control of the District School Board until such time as the Board no longer requires the assets for school purposes. At that time, control will revert back to the Town. Shelburne County District School Board subsequently amalgamated with other school boards to form the Tri-County Regional School Board.

12. Pension Plan Liability

The Town contributes to a Group Registered Pension Plan for all full-time employees. This is administered by Manulife and is a money purchase plan in nature.

The Town also contributes to a defined benefit pension plan for the previous Town Clerk. This plan is administered by Sun Life of Canada and the amount of the contributions change every three years based on an actuarial valuation of the plan. The most recent actuarial report is as at March 31, 2023. This report reflected a funding deficiency of $85,634. Funding relative to this obligation is to be over ten years at an annual amount of $8,854

The residual calculated balance of $31,905 is recorded as a liability of the Town based on the prior valuation. The Town will reflect any change to the obligation at such point as the renewed actuarial valuation is received as an expense of that period.

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

13. Remuneration of Council, Town Clerk and Department Heads

The remuneration (including meeting pay) of Council, Town Clerk and Department Heads, along with expense reimbursement are as follows:

	Remuneration	Expenses	Total
Council			
Derek Amalfa - Mayor	$ 17,135	$ 176	$ 17,311
Anna Chetwynd - Deputy Mayor	12,981	-	12,981
Craig Hillen - Councillor	11,942	486	12,428
Kevin Chetwynd - Councillor	11,942	-	11,942
Candace Malik - Councillor	11,942	250	12,192
Employees			
June Harding - Town Clerk	67,489	1,132	68,621

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

14. Segmented Information

The Town of Lockeport is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes the Town's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Town services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General Government Services
This department is responsible for the overall financial and local government administration. Its tasks include tax, water and sewer billings and payments, accounts payable and receivables, budgets and financial statements, the Municipal Government Act, administration and maintenance of bylaws and change of address.

Protective Services
This department is responsible for ensuring the safety of the residents. Its tasks include bylaw enforcement, animal control, emergency measures and fire protection.

Transportation Services
This department is responsible for transportation services within the Town. Its tasks include maintaining roads and sidewalks and street lighting.

Environmental Health Services
This department is responsible for the maintenance and operations of waste and sewer services provided to residents and other customers. Its tasks include recycling, composting and sewer hook-up.

Public Health and Welfare Services
This department is responsible for their portion for the Western Regional Housing Authority deficit and contributions towards doctor recruitment.

Environmental Development Services
This department is responsible for the planning and development within the Town. Its tasks include developing strategies and planning reports, issuing development permits and approving subdivision applications.

Recreation and Cultural Services
This department is responsible for promoting and offering recreation opportunities and activities to the Town's residents.

TOWN OF LOCKEPORT

Notes to Consolidated Financial Statements
Year Ended March 31, 2026

15. Tax Sale Surplus

The following analysis details the year in which the funds held in trust were received. After twenty years these funds may then be transferred to the Capital Reserve Fund.

Year received	Year of Transfer	Amount
March 31, 2009	31-Mar-29	$ 18,483
March 31, 2014	31-Mar-34	$ 63,543
March 31, 2018	31-Mar-38	$ 6,387
		$ 88,413

16. Financial Instruments

The Town's financial instruments consist of cash, receivables, payables and accruals and long-term debt.

It is management's opinion that the Town is not exposed to significant interest or currency risks arising from these consolidated financial statements.

The Town is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Town provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Liquidity risk is the risk that the Town will encounter problems in raising funds to meet its commitments at maturity. The Town is exposed to liquidity risk through its payables and accruals, post-employment benefits and long-term debt. Management believes the Town has ample working capital to meet its short-term obligations and therefore the exposure to liquidity risk is low.

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

17. Tangible Capital Assets 2026

	Cost March 31/25	Additions	Disposals	Cost March 31/26
Land				
General Government	$ 13,786	$ -	$ -	$ 13,786
Protection	21,000	-	-	21,000
Environmental	3,944	-	-	3,944
Recreation/Culture	123,299	-	-	123,299
	162,029	-	-	162,029
Land Improvements				
Protection	18,573	-	-	18,573
Transportation	218,929	-	-	218,929
Recreation/Culture	396,106	49,334	(1,139)	444,301
	633,608	49,334	(1,139)	681,803
Buildings				
General Government	188,111	-	-	188,111
Protection	346,320	94,679	-	440,999
Transportation	71,239	-	(7,000)	64,239
Health/Welfare	54,424	5,194	-	59,618
Recreation/Culture	1,041,864	61,223	(88,344)	1,014,743
	1,701,958	161,096	(95,344)	1,767,710
Equipment				
General Government	8,636	6,084	(8,636)	6,084
Protection	18,850	-	-	18,850
Transportation	-	-	-	-
Environmental	56,281	17,602	(56,281)	17,602
Recreation/Culture	70,867	375,121	(16,513)	429,475
	154,634	398,807	(81,430)	472,011
Vehicles				
Protection	440,379	-	(31,287)	409,092
Transportation	157,784	-	(157,784)	-
	598,163	-	(189,071)	409,092
Streets/Sidewalks				
Transportation	1,726,049	8,700	(77,599)	1,657,150
Sewer				
Environmental	3,013,535	408,113	(1,834,535)	1,587,113
	$ 7,989,976	$ 1,026,050	$ (2,279,118)	$ 6,736,908

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

17. Tangible Capital Assets 2026

	Accumulated Amortization March 31/25	Amortization	Reversals (Losses)	Accumulated Amortization March 31/26
Land Improvements				
Protection	$ 10,779	$ 743	$ -	$ 11,522
Transportation	110,937	8,712	(1,139)	118,510
Recreation/Culture	78,711	17,818	-	96,529
	200,427	27,273	(1,139)	226,561
Buildings				
General Government	43,629	4,703	-	48,332
Protection	329,878	11,025	-	340,903
Transportation	52,621	1,606	(7,000)	47,227
Health/Welfare	22,731	1,490	-	24,221
Recreation/Culture	480,112	24,420	(88,344)	416,188
	928,971	43,244	(95,344)	876,871
Equipment				
General Government	8,636	-	(8,636)	-
Protection	7,540	1,885	-	9,425
Transportation	-	-	-	-
Environmental	56,279	3,520	(56,279)	3,520
Recreation/Culture	55,277	84,873	(16,513)	123,637
	127,732	90,278	(81,428)	136,582
Vehicles				
Protection	194,925	40,909	(31,287)	204,547
Transportation	157,784	-	(157,784)	-
	352,709	40,909	(189,071)	204,547
Streets/Sidewalks				
Transportation	968,070	54,141	(77,599)	944,612
Sewer				
Environmental	2,068,102	40,472	(1,834,535)	274,039
	$ 4,646,011	**$ 296,317**	**$ (2,279,116)**	**$ 2,663,212**

TOWN OF LOCKEPORT
Notes to Consolidated Financial Statements
Year Ended March 31, 2026

18. Consolidated Schedule of Segment Disclosure

	General Government	Protective Services	Transportation Services	Environmental Health Services	Public Health and Welfare	Environmental Development Services	Recreation and Cultural Services	2026
Property Taxes	$ 1,265,431	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,265,431
Grants in Lieu of Taxes	22,773	-	-	-	-	-	-	22,773
Services to other governments	-	68,731					8,500	77,231
Sale of services	-	-	-	-	-	-	1,455	1,455
Other revenue from own sources	143,339	-	-	-	-	-	-	143,339
Unconditional transfes from other governments	158,072	-	-	-	-	-	-	158,072
Conditional transfers from federal and provincial government or agencies	55,857	1,000	-	-	-	-	216,938	273,795
	1,645,472	69,731	-	-	-	-	226,893	1,942,096
Expenditures								
Salaries, Benefits	214,863	5,415	145,163	41,599	1,427	18,242	45,105	471,814
Interest	1,467	9,290	504	462	-	-	1,492	13,215
Materials and Other Operating	102,871	52,865	81,396	228,056	938	40,425	74,671	581,222
Amortization	5,920	54,562	64,459	43,992	1,490	-	127,111	297,534
Utilities	9,075	12,233	22,763	31,865	3,517	4,770	13,880	98,103
Grants	4,260	-	-	-	-	-	-	4,260
Fire Department	-	-	-	-	-	-	-	-
Fire Protection Rate	-	-	-	-	-	-	-	-
Policing & Corrections	-	228,183	-	-	-	-	-	228,183
Other Protective Services	-	-	-	-	-	-	-	-
Reduced taxes	800	-	-	-	-	-	-	800
	339,256	362,548	314,285	345,974	7,372	63,437	262,259	1,695,131
	$ 1,306,216	$ (292,817)	$ (314,285)	$ (345,974)	$ (7,372)	$ (63,437)	$ (35,366)	$ 246,965

TOWN OF LOCKEPORT

Supplementary Financial Information

Non-Consolidated Financial Statements

Year Ended March 31, 2026

Section B

TOWN OF LOCKEPORT

SECTION B

SUPPLEMENTARY FINANCIAL INFORMATION

Contents

TOWN OF LOCKEPORT
Supplementary Financial Information
General Section - Statement of Operations
Year Ended March 31, 2026

	Page	Budget	2026 Actual	2025 Actual
Taxes	B-3	1,382,403	$ 1,406,158	$ 1,334,691
Grants in lieu of taxes	B-3	18,927	22,773	23,395
Services provided to other governments	B-3	57,386	77,231	52,079
Sale of services	B-4	950	1,455	4,163
Other revenue from own sources	B-4	66,658	129,745	66,520
Unconditional transfers from other governments	B-4	158,081	158,072	158,081
Conditional transfers from Federal and Provincial governments and agencies	B-4	28,571	87,902	62,164
Other transfers	B-5	-	527,547	107,763
		1,712,976	$ 2,410,883	$ 1,808,856
EXPENDITURES				
General government services	B-5	358,375	$ 333,336	$ 328,341
Protective services	B-6	315,997	307,986	284,216
Transportation services	B-6	270,832	249,827	207,971
Environmental health services	B-7	322,558	301,983	308,148
Public health and welfare services	B-7	9,210	5,882	10,364
Environmental development services	B-7	76,207	64,393	88,209
Recreation and cultural services	B-7	133,455	135,148	223,328
Appropriation to district school board		115,000	140,726	127,724
Fiscal services	B-8	111,342	871,602	230,555
		1,712,976	2,410,883	1,808,856
EXCESS OF REVENUE OVER EXPENDITURES		$ -	$ -	$ -

TOWN OF LOCKEPORT

Supplementary Financial Information
General Section - Operating Fund Statement of Financial Position
Year Ended March 31, 2026

	2026	2025
ASSETS		
Cash and Bank	$ 226,462	$ 139,122
Receivables		
Taxes	179,545	162,321
Due from provincial government and its agencies		
Conditional transfers	(110)	769
Other	38,723	170
Due from Federal Government and its agencies	2,877	38,203
Due from Special Reserve - Gas Tax	-	-
Due from General Capital Fund	-	73,002
Due from Special Reserve - Operating	345,303	39,643
Prepaid Expense	35,387	35,387
	828,187	488,617
Tangible Assets		
Properties acquired at tax sale	2,438	2,438
	$ 830,625	$ 491,055
LIABILITIES		
Payables		
Prepaid Taxes	18,866	50,745
Trade accounts	46,155	12,847
Deferred Revenue	211,166	195,230
Due to Capital Fund	313,458	-
Due to Special Reserve - Operating	-	-
- Sustainable Growth Fund	-	-
- Gas Tax	118,224	100,623
	707,869	359,445
Other Liabilities		
Tax Sale surplus	88,413	88,413
Pension plan liability	31,905	40,759
	120,318	129,172
Asset Valuation Allowances		
For uncollectible taxes	-	-
For vested properties	2,438	2,438
	2,438	2,438
	830,625	491,055
NET ASSETS		
Surplus (Deficit)	-	-
	$ 830,625	$ 491,055

On behalf of the Town of Lockeport

______________________________ Mayor

______________________________ Town Clerk

TOWN OF LOCKEPORT

Supplementary Financial Information
General Section - Schedules to Statement of Operations
Year Ended March 31, 2026

	BUDGET 2026	ACTUAL 2026	ACTUAL 2025
1. TAXES			
Assessable Property			
Residential	$ 931,896	$ 922,363	$ 870,773
Commercial	390,442	391,062	399,085
Resource	28,327	27,354	29,364
	1,350,665	1,340,779	1,299,222
Special Assessments			
Environmental Health	17,000	16,473	16,473
Business Property			
Based on revenue (Bell Aliant)	4,738	4,738	4,806
Other			
Deed transfer tax	10,000	44,168	14,190
	$ 1,382,403	$ 1,406,158	$ 1,334,691
2. GRANTS IN LIEU OF TAXES			
Federal Government	$ 1,185	$ 4,638	$ 6,943
Federal Government Agencies			
Canada Post	9,938	9,938	10,187
Provincial Government	2,270	2,270	2,270
Provincial Government Fire Protection	305	299	306
Nova Scotia Power Inc.	1,029	1,029	897
Nova Scotia Power Inc. HST Rebate	4,200	4,599	2,792
	$ 18,927	$ 22,773	$ 23,395
3. SERVICES PROVIDED TO OTHER GOVERMENTS			
Tourism	3,500	8,500	8,500
Fire protection	53,886	68,731	43,579
	$ 57,386	$ 77,231	$ 52,079

TOWN OF LOCKEPORT
Supplementary Financial Information
General Section - Schedules to Statement of Operations
Year Ended March 31, 2026

	BUDGET 2026	ACTUAL 2026	ACTUAL 2025
4. SALE OF SERVICES			
Recreation and Culture	$ 950	$ 1,455	$ 4,163
5. OTHER REVENUE FROM OWN SOURCES			
Licenses and permits	$ 100	$ 135	$ 185
Fines	150	100	82
Rentals	3,400	2,781	9,904
Penalties and interest on taxes	15,000	24,739	25,588
Donations and fundraising	125	240	1,641
Miscellaneous	47,883	101,750	29,120
	$ 66,658	$ 129,745	$ 66,520
6. UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS			
Provincial Government			
Equalization Grant	$ 158,081	$ 158,072	$ 158,081
7. CONDITIONAL TRANSFERS FROM FEDERAL AND PROVINCIAL GOVERNMENTS AND THEIR AGENCIES			
Federal Government			
Employment resources			
- Beach Centre	$	$	$
- Recreation	21,495	-	-
Gas tax	-	-	-
Provincial Government and Their Agencies			
Cultural services			
Museum	4,044	4,044	4,044
Community Services	-	-	-
Staff	-	3,500	3,500
ICIP Funding		-	-
Miscellaneous grant	3,032	80,358	54,620
	$ 28,571	$ 87,902	$ 62,164

TOWN OF LOCKEPORT

Supplementary Financial Information
General Section - Schedules to Statement of Operations
Year Ended March 31, 2026

	BUDGET 2026	ACTUAL 2026	ACTUAL 2025
8. OTHER TRANSFERS			
Transfer from other funds			
Special Reserve Funds - Gas Tax	$ -	$ -	$ -
Special Reserve Funds - Operating/Capital Fund		527,547	107,763
Valuation Allowance reduction	-	-	-
	$ -	$ 527,547	$ 107,763
9. GENERAL GOVERNMENT SERVICES			
Legislative			
Mayor - Stipend	$ 17,482	$ 17,135	$ 16,500
- Travel	2,366	160	237
Councillors - Stipend	51,472	48,808	47,000
- Travel	700	739	195
	72,020	66,842	63,932
General Administrative			
Administrative	172,139	162,096	159,450
Financial management	23,500	23,975	22,094
Taxation			
Reduced taxes	2,000	800	1,000
Common services	26,724	21,870	17,331
Other general administrative services	56,992	53,493	48,792
	281,355	262,234	248,667
Other General Government Services			
Elections	-	-	8,830
Conventions	-	-	-
Grants to organizations and individuals	5,000	4,260	6,912
	5,000	4,260	15,742
	$ 358,375	$ 333,336	$ 328,341

TOWN OF LOCKEPORT
Supplementary Financial Information
General Section - Schedules to Statement of Operations
Year Ended March 31, 2026

	BUDGET 2026	ACTUAL 2026	ACTUAL 2025
10. PROTECTIVE SERVICES			
Police protection			
Crime investigation, prevention and protective services	$ 228,683	$ 228,183	$ 213,911
Law Enforcement			
Correctional Services	100	445	392
Fire protection			
Administration	12,480	12,997	11,450
Fire fighting force	3,500	2,130	1,485
Fire alarm system	3,000	3,040	2,465
Interest expense on debt financing	9,290	9,290	10,364
Training	2,000	1,230	202
Fire station and buildings	15,900	10,820	8,492
Fire fighting equipment	22,500	22,542	18,817
	68,670	62,049	53,275
First Response/EMO			
Other	18,544	17,309	16,638
	$ 315,997	$ 307,986	$ 284,216

	BUDGET 2026	ACTUAL 2026	ACTUAL 2025
11. TRANSPORTATION SERVICES			
Common services			
Salaries	$ 139,269	$ 145,163	$ 127,291
Equipment and building	30,721	34,634	32,408
	169,990	179,797	159,699
Road transport			
Interest expense on debt financing	504	504	712
Roads and streets	78,338	48,443	26,656
Street lighting	22,000	21,083	20,904
	100,842	70,030	48,272
	$ 270,832	$ 249,827	$ 207,971

TOWN OF LOCKEPORT
Supplementary Financial Information
General Section - Schedules to Statement of Operations
Year Ended March 31, 2026

	BUDGET 2026	ACTUAL 2026	ACTUAL 2025
12. ENVIRONMENTAL HEALTH SERVICES			
Sewage collection and disposal			
Labour	$ 41,729	$ 41,601	$ 35,759
Sewage collection system	58,900	48,683	56,763
Interest expense on debt financing	12,456	462	652
Other	8,500	9,525	5,572
	121,585	100,271	98,746
Garbage and waste collection and disposal			
Other	46,000	43,613	45,139
Joint Services Board expense	154,973	158,099	164,263
	200,973	201,712	209,402
	$ 322,558	$ 301,983	$ 308,148
13. PUBLIC HEALTH AND WELFARE SERVICES			
Welfare			
Medical Centre	$ 9,210	$ 5,882	$ 10,364
Deficit of Regional Housing Authority	-	-	-
	$ 9,210	$ 5,882	$ 10,364
14. ENVIRONMENTAL DEVELOPMENT SERVICES			
Regional development			
Other	$ 12,583	$ -	$ -
Other environmental development services			
Tourism and Heritage Festivals	63,624	64,393	88,209
	$ 76,207	$ 64,393	88,209
15. RECREATION AND CULTURAL SERVICES			
Administration	$ 28,118	$ 46,985	$ 81,505
Community Centre	23,954	16,270	20,386
Parks and playground	58,950	54,717	102,876
Library and Regional Library	13,190	10,596	13,150
Museum and heritage properties	9,243	6,580	5,411
	$ 133,455	$ 135,148	$ 223,328

TOWN OF LOCKEPORT

Supplementary Financial Information
General Section - Schedules to Statement of Operations
Year Ended March 31, 2026

	BUDGET 2026	ACTUAL 2026	ACTUAL 2025
16. FISCAL SERVICES			
Debenture principal	$ 85,155	$ 85,155	$ 86,561
Increase in Valuation Allowance - Taxes	-	-	-
Transfers to Own Reserves, Funds and Agencies			
Other funds:			
General capital fund	-	786,447	-
Special Reserve Fund	26,187	-	143,994
	26,187	786,447	143,994
	$ 111,342	$ 871,602	$ 230,555

TOWN OF LOCKEPORT
General Capital Fund
Statement of Financial Position
Year Ended March 31, 2026

	2026	2025
ASSETS		
Current		
Accounts receivable	$ -	$ 237,947
Due from Operating Fund	313,457	-
	313,457	237,947
Capital Project in progress	-	92,386
Property and equipment (net of accumulated amortization)	4,072,481	3,343,965
	$ 4,385,938	$ 3,674,298
LIABILITIES		
Due to Operating Fund	$ -	$ 73,002
Long-term debt	784,938	646,588
	784,938	719,590
EQUITY		
Investment in Capital Assets	3,601,000	2,954,708
	$ 4,385,938	$ 3,674,298

On behalf of the Town of Lockeport

______________________________ Mayor

______________________________ Town Clerk

Statement of Investment in Capital Assets
Year Ended March 31, 2026

	2026	2025
Balance, beginning	$ 2,954,708	$ 2,433,718
Contributions		
Province of Nova Scotia	100,000	415,800
Gas tax	-	-
General operating fund	710,158	221,444
Sustainable growth fund reserve	48,513	-
Long-term debt retired	85,155	87,837
Amortization	(297,534)	(204,091)
Miscellaneous	-	-
Increase in Investment in Capital Assets	646,292	520,990
Balance, ending	$ 3,601,000	$ 2,954,708

TOWN OF LOCKEPORT

Supplementary Financial Information
Statement of Special Reserve Funds
Year Ended March 31, 2026

	Operating Fund	Capital Fund	Sustainabiltiy Services Growth Fund	Gas Tax Fund	2026 Total	2025 Total
ASSETS						
Cash	$ 400,808	$ 117,281	$ 54	$ 31,416	$ **549,559**	$ 703,834
Gas tax receivable	-	-	-	43,008	**43,008**	-
Due from General Operating Fund	-	-	-	118,224	**118,224**	100,623
	$ 400,808	$ 117,281	$ 54	$ 192,648	$ **710,791**	$ 804,457
LIABILITIES						
Due to General Operating Fund	$ 345,305	$ -	$ -	$ -	$ **345,305**	$ 39,643
RESERVES						
Balance, ending	55,503	117,281	54	192,648	**365,486**	764,814
	$ 400,808	$ 117,281	$ 54	$ 192,648	$ **710,791**	$ 804,457

On behalf of the Town of Lockeport

______________________ Mayor

______________________ Town Clerk

TOWN OF LOCKEPORT

Supplementary Financial Information
Statement of Special Reserve Funds
Year Ended March 31, 2026

	Operating Fund	Capital Fund	Sustainability Services Growth Fund	Gas Tax Fund	2026 Total	2025 Total
BALANCE - BEGINNING OF YEAR	$ 354,168	$ 115,235	$ 145,770	$ 149,640	$ 764,814	$ 882,609
Interest income	6,995	2,046	1,501	-	10,542	25,352
Gas Tax Rebate	-	-	-	43,008	43,008	41,251
Transfers from:						
Operating Fund		-	-	-	-	-
					-	-
Other expenditures	-	-	-	-	-	(35)
Transfers to:						
Operating Fund	(305,660)	-	-	-	(305,661)	(184,363)
Capital Fund	-	-	(147,217)	-	(147,217)	-
Intra-fund transfers	-	-	-	-	-	-
	(298,665)	2,046	(145,716)	43,008	(399,328)	(117,795)
BALANCE - END OF YEAR	$ 55,503	$ 117,281	$ 54	$ 192,648	$ 365,486	$ 764,814

TOWN OF LOCKEPORT

Supplementary Financial Information
Schedule of Debt Charges and Long-term Debt
Year Ended March 31, 2026

	Opening Balance	Issued	Redeemed	Closing Balance	Interest	Interest Rate
General Government						
Equipment	$ -	$ -	$ -	$ -	$ -	7.0%
Elevator	45,000	-	5,000	40,000	1,535	2.83-3.551%
Environmental Health						
Upgrades	49,976	-	7,140	42,836	863	0.4 - 2.376%
Wastewater system	218,162	-	15,583	202,579	11,291	4.897 - 5.463%
Tourism						
Facilities/ Revitalized	23,330	-	4,667	18,663	765	2.769-3.792%
Transportation						
Vehicles/Street Lighting	16,000	-	16,000	-	463	2.134-2.894%
Paving	-	223,505	-	223,505	-	2.511 - 4.418%
Protection						
Fire Equipment	294,120	-	36,765	257,355	9,589	2.575-3.782%
Recreation and Culture						
Equipment	-	-	-	-	-	7.0%
	$ 646,588	$ 223,505	$ 85,155	$ 784,938	$ 24,506	

TOWN OF LOCKEPORT
Supplementary Financial Information
Statement of Capital Financing
Year Ended March 31, 2026

	2026	2025
SOURCE		
Capital Funding Revenue		
Contributions		
Province of Nova Scotia	$ 100,000	$ 415,800
Other	48,513	-
Long term debt	223,505	
Own funds	654,031	221,444
	$ 1,026,049	$ 637,244
APPLICATION		
Capital asset acquisitions (see schedule)	$ 1,026,049	$ 637,244

TOWN OF LOCKEPORT

Supplementary Financial Information
Schedule of Capital Projects Funding
Year Ended March 31, 2026

	Total 2026	Total 2025
General Government		
Equipment	$ 6,084	-
Building	61,223	$ 8,605
Transportation		
Streets and sidewalks	232,196	-
Equipment	-	-
Building	-	-
	232,196	-
Protective Services		
Building	94,679	-
Vehicle	-	-
Equipment	-	-
	94,679	-
Environmental Health Services		
Building	5,194	-
Equipment	202,218	619,069
Recreation and Cultural Services		
Land improvments	49,334	-
Equipment	375,121	9,570
	424,455	9,570
	$ 1,026,049	637,244