

GENELLE IMPROVEMENT DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2025

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Independent auditor's report

To the Board of Trustees of
Genelle Improvement District

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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 Matter

The financial statements for the year ended December 31, 2024 were audited by a predecessor auditor who expressed an unmodified opinion on March 19, 2025. As at December 31, 2025, all accounting policies are consistent with those of the prior year and there were no changes to the prior year financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 a 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 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 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.

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.

Doane Grant Thornton LLP

Castlegar, Canada
April 29, 2026

Chartered Professional Accountants

Management's Responsibility for Financial Reporting

Management is composed entirely of the Board of Trustees who is elected by the Members of the Genelle Improvement District. Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Board of Trustees is responsible for overseeing the financial reporting responsibilities and for approving the financial information and discussing relevant matters with the external auditors. The Board of Trustees is also responsible for recommending the appointment of the District's external auditors.

Doane Grant Thornton LLP, an independent firm of Chartered Professional Accountants, is appointed by the Board of Trustees to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to meet with the Board of Trustees to discuss their audit findings.



Trustee

April 29, 2026

Date



Trustee

April 29, 2026

Date

GENELLE IMPROVEMENT DISTRICT

Statement of Financial Position

As at December 31

	2025	2024
Financial Assets		
Cash and cash equivalents (Note 2)	\$ 510,546	\$ 652,264
Short-term investments (Note 3)	200,000	-
Restricted assets - reserve funds (Note 4)	200,000	200,000
Accounts receivable (Note 5)	13,167	11,459
	<u>923,713</u>	<u>863,723</u>
Financial Liabilities		
Accounts payable	14,597	15,101
Deferred revenue	1,612	1,612
Asset Retirement Obligation (Note 6)	223,033	333,699
	<u>239,242</u>	<u>350,412</u>
Net Financial Assets	<u>684,471</u>	<u>513,311</u>
Non-Financial Assets		
Inventory of supplies	18,894	18,894
Prepaid expenses	33,723	33,815
Tangible capital assets (Note 7)	1,132,748	1,287,671
	<u>1,185,365</u>	<u>1,340,380</u>
Accumulated Surplus (Schedule)	<u>\$ 1,869,836</u>	<u>\$ 1,853,691</u>

Approved by the Trustees:



Trustee



Trustee

GENELLE IMPROVEMENT DISTRICT

Statement of Operations and Accumulated Surplus

For the Year Ended December 31

	Budget	2025	2024
	Budget	Actual	
Revenues			
Water taxes	\$ 119,000	\$ 120,303	\$ 119,072
Water tolls	85,300	87,205	80,834
Garbage taxes	-	-	14,090
Connection fees and miscellaneous	1,000	2,838	10,007
Interest - unrestricted	100	3,868	901
Interest - internally restricted	10,000	11,017	10,789
	<u>215,400</u>	<u>225,231</u>	<u>235,693</u>
Operating Expenses			
Garbage collection	-	-	13,475
Insurance and licences	37,100	35,881	32,868
Repairs and maintenance	13,000	14,512	14,988
Utilities	16,000	15,774	13,518
Water study	3,000	32	999
Water system operator	28,000	25,303	23,088
	<u>97,100</u>	<u>91,502</u>	<u>98,936</u>
	<u>118,300</u>	<u>133,729</u>	<u>136,757</u>
Administrative Expenses			
Advertising and promotion	300	70	192
Accretion	-	9,638	3,394
Amortization	70,000	63,520	64,577
Bank charges and interest	50	602	89
Honorariums	9,000	7,235	7,529
Office	3,800	1,903	3,579
Professional fees	25,000	22,433	23,907
Telephone	3,000	4,242	3,075
Utilities	3,000	3,315	2,671
Wages and benefits	3,500	4,626	6,580
	<u>117,650</u>	<u>117,584</u>	<u>115,593</u>
Annual surplus	650	16,145	21,164
Accumulated surplus, beginning of year	<u>1,853,691</u>	<u>1,853,691</u>	<u>1,832,527</u>
Accumulated surplus, end of year	<u>\$ 1,854,341</u>	<u>\$ 1,869,836</u>	<u>\$ 1,853,691</u>

GENELLE IMPROVEMENT DISTRICT

Statement of Changes in Net Financial Assets

For the Year Ended December 31

	2025 Budget	2025 Actual	2024
Annual surplus	\$ 650	\$ 16,145	\$ 21,164
Changes in tangible capital assets			
Acquisition of tangible capital assets	(125,654)	(28,901)	(10,970)
Amortization of tangible capital assets	70,000	63,520	64,577
Change in cash flows from Asset Retirement Obligations	-	120,304	-
	<u>(55,654)</u>	<u>154,923</u>	<u>53,607</u>
Changes in other non-financial assets			
Acquisition of prepaid expenses	-	(33,721)	(33,813)
Use of inventory of supplies	-	-	(215)
Use of prepaid expenses	-	33,813	31,402
	<u>-</u>	<u>92</u>	<u>(2,626)</u>
Changes in net financial assets	(55,004)	171,160	72,145
Net financial assets, beginning of year	<u>513,311</u>	<u>513,311</u>	<u>441,166</u>
Net financial assets, end of year	<u>\$ 458,307</u>	<u>\$ 684,471</u>	<u>\$ 513,311</u>

GENELLE IMPROVEMENT DISTRICT

Statement of Cash Flows

For the Year Ended December 31

	2025	2024
Cash Flows Provided By (Used In) Operating Activities		
Cash received from users	\$ 208,638	\$ 220,296
Cash paid to suppliers and employees	(136,340)	(147,350)
Cash received from internally restricted interest	11,017	10,789
Cash received from unrestricted interest	3,868	901
	<u>87,183</u>	<u>84,636</u>
Cash Flows Provided By (Used In) Investing Activities		
Purchase of tangible capital assets	(28,901)	(10,970)
Purchase of short-term investments	(200,000)	-
	<u>(228,901)</u>	<u>(10,970)</u>
(Decrease) increase in cash	(141,718)	73,666
Cash, beginning of year	<u>652,264</u>	<u>578,598</u>
Cash, end of year	<u>\$ 510,546</u>	<u>\$ 652,264</u>

GENELLE IMPROVEMENT DISTRICT

Notes to Financial Statements

December 31, 2025

Nature of Operations

The Genelle Improvement District was formed as an Improvement District on April 12, 1962. The objectives of the District are the acquisition, maintenance and operation of the waterworks and all incidental matters thereto for the land within the District.

1. Summary of Significant Accounting Policies

Basis of presentation

The financial statements have been prepared in accordance with Canadian public sector accounting standards. Funds are segregated for the purpose of carrying on specific activities or attaining specific objectives. The following funds are currently in use:

Unrestricted operating fund - this fund is used to report the operating activities of the District, including general operations and the water utilities.

Internally restricted reserve funds - these funds have been established to hold funds for specific future requirements. The use of these funds is at the discretion of the Board of Trustees and consists of a capital expenditure fund and a capital works renewal reserve fund.

Short-term investments

Short-term investments are recorded at cost. Investment income is recorded on the accrual basis and recognized when earned.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions which affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the valuation of accounts receivable, accrued liabilities included in accounts payable, the valuation of inventory of supplies, asset retirement obligations and estimated useful lives of tangible capital assets. Actual results may differ from these estimated amounts.

GENELLE IMPROVEMENT DISTRICT

Notes to Financial Statements

December 31, 2025

Financial instruments The District's financial instruments consist of cash and cash equivalents, short-term investments, restricted fund investments, accounts receivable, and accounts payable which are recorded at cost/amortized cost.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument.

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

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.

Inventory of supplies Inventory of supplies consist of materials and supplies for use and consumption. Inventory of supplies are measured at the lower of cost and net replacement value. Cost has been determined using the specific identification method.

Tangible capital assets Tangible capital assets are recorded at cost. Amortization is calculated on the straight-line basis over the following periods:

Building	20 years
Fence	10 years
Fire hydrants	40 years
Office equipment	5 years
Paving	12 years
Reservoir	50 years
Soft start system	5 years
Storage container	5 years
Tools	5 years
Vehicle	8 years
Water system and equipment	5-50 years

GENELLE IMPROVEMENT DISTRICT

Notes to Financial Statements

December 31, 2025

Asset retirement obligations

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

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

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

Revenue recognition

Tolls and taxes revenues are recognized on an accrual basis and recognized in the period to which they relate provided that collection is reasonably assured. Capital expenditure charges, subdivision fees and connection fees are recognized when services are rendered provided that collection is reasonably assured. All other revenue is recognized when collection is reasonably assured.

Expense recognition

Expenses are recognized on an accrual basis in the period in which they are incurred.

Donated goods and services

The District benefits from donated goods and services in the form of volunteer time and donated goods. Donated materials and services that relate to tangible capital assets are recognized at fair value. Any other donated goods and services are not recognized in these financial statements.

Budget data

The budget data presented in these financial statements was adopted by the Board of Trustees at the Annual General Meeting on May 2, 2025.

GENELLE IMPROVEMENT DISTRICT

Notes to Financial Statements

December 31, 2025

2. Cash and cash equivalents

Cash and cash equivalents comprise unrestricted operating accounts that consist of bank accounts and member shares and internally restricted reserve funds that consist of Kootenay Savings Credit Union savings funds. The reserve funds have been established by the Board for specific operating uses. Funds received from capital expenditure charges and interest earned on these funds are included in the capital expenditure fund. These funds may only be used to increase source capacity, enlarge supply mains, increase storage or augment the capacity of the works of the District. Funds received from the sale of District land, current revenue, general revenue surplus or as otherwise provided in the Municipal Act may from time to time be paid into the capital works renewal reserve fund. These funds and interest earned on these funds may only be used for expenditures for any upgrading, replacement or renewal of existing works. The funds may be disbursed by a Bylaw of the Trustees of the District.

	2025	2024
Operating accounts	\$ 114,424	\$ 260,052
Capital expenditure fund	30,353	30,081
Capital works renewal reserve fund	<u>365,769</u>	<u>362,131</u>
	<u>\$ 510,546</u>	<u>\$ 652,264</u>

3. Short-term Investments

Short-term investments are comprised of two, flexible, one-year \$100,000, term portfolio investments with a 2.52% interest return, maturing on June 9, 2026, and redeemable after 90 days without penalty.

	2025	2024
KSCU Guaranteed Investment Certificates	\$ <u>200,000</u>	\$ <u>-</u>

4. Restricted Fund Investments

Restricted fund investments are comprised of two, flexible, one-year \$100,000, term portfolio investments with a 2.33% interest return, maturing October 20, 2026, and redeemable after 90 days without penalty.

	2025	2024
Restricted fund investments	\$ <u>200,000</u>	\$ <u>200,000</u>

5. Accounts Receivable

	2025	2024
Trade receivables	\$ 4,219	\$ 538
GST recoverable	<u>8,948</u>	<u>10,921</u>
	<u>\$ 13,167</u>	<u>\$ 11,459</u>

GENELLE IMPROVEMENT DISTRICT

Notes to Financial Statements

December 31, 2025

6. Asset Retirement Obligation

The District has recognized an asset retirement obligation related to the decommissioning of its wells and reservoirs. The recognition of the asset retirement obligation involved an accompanying increase to the wells and reservoirs tangible capital asset. The increase in capital assets is amortized on a straight-line basis over the remaining expected useful life of the related assets.

	2025	2024
Opening balance	\$ 333,699	\$ 330,305
Decrease due to revisions in estimated cash flows	(120,304)	-
Increase due to accretion	<u>9,638</u>	<u>3,394</u>
	<u>\$ 223,033</u>	<u>\$ 333,699</u>

The liability is estimated using a present value technique that discounts the expected future expenditures. The discount rate used was based on the Bank of Canada's December 31, 2025 interest rate for mortgage loans extended to the corporate sector of 4.73%. Undiscounted present costs total to \$518,500 and expected decommissioning dates are estimates. The decommissioning dates are expected to occur on dates ranging from 8 years to 66 years in the future.

The decrease due to revisions in estimated cash flows is due to an increase in the discount rate.

GENELLE IMPROVEMENT DISTRICT

Notes to Financial Statements

December 31, 2025

7. Tangible Capital Assets

As at December 31, 2025	Cost	Accumulated Amortization	Net Book Value
Land - second well	\$ 7,723	\$ -	\$ 7,723
Reservoir easement	4,052	-	4,052
Building	90,618	78,089	12,529
Fence	1,098	1,098	-
Fire hydrants	41,559	22,386	19,173
Office equipment	13,891	9,049	4,842
Paving	22,125	9,326	12,799
Reservoir	799,814	204,466	595,348
Soft start system	22,897	16,315	6,582
Storage container	4,958	4,958	-
Tools	3,529	3,400	129
Vehicle	24,694	24,694	-
Water system and equipment	1,066,100	596,529	469,571
	<u>\$ 2,103,058</u>	<u>\$ 970,310</u>	<u>\$ 1,132,748</u>

As at December 31, 2024	Cost	Accumulated Amortization	Net Book Value
Land - second well	\$ 7,723	\$ -	\$ 7,723
Reservoir easement	4,052	-	4,052
Building	90,619	76,645	13,974
Fence	1,098	1,098	-
Fire hydrants	41,559	21,347	20,212
Office equipment	9,766	7,573	2,193
Paving	22,125	7,556	14,569
Reservoir	915,654	175,545	740,109
Soft start system	22,897	13,977	8,920
Storage container	4,958	4,958	-
Tools	3,529	3,111	417
Vehicle	24,694	24,694	-
Water system and equipment	1,045,788	570,286	475,502
	<u>\$ 2,194,462</u>	<u>\$ 906,790</u>	<u>\$ 1,287,671</u>

Additions for the year amounted to \$4,125 in office equipment (2024: \$Nil), \$24,775 (2024: \$Nil) in water systems and \$Nil in soft start system (2024: \$10,970).

There were \$Nil (2024: \$Nil) disposals in the year.

Amortization expense for the year amounted to \$63,520 (2024: \$64,577).

GENELLE IMPROVEMENT DISTRICT

Notes to Financial Statements

December 31, 2025

8. Renewal Reserve Fund

	2025	2024
Balance at beginning of year	\$ 562,131	\$ 494,457
Interest earned	9,858	10,518
Transfer from replacement reserve	(6,220)	-
Transfer to replacement reserve	<u>-</u>	<u>57,156</u>
	<u>\$ 565,769</u>	<u>\$ 562,131</u>

9. Capital Expenditure Fund

	2025	2024
Balance at beginning of year	\$ 30,081	\$ 29,811
Interest earned	<u>272</u>	<u>270</u>
	<u>\$ 30,353</u>	<u>\$ 30,081</u>

10. Financial Instruments

Credit risk exposure

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The District's exposure to credit risk is primarily related to its accounts receivable. Under the Local Government Act every assessment, tax, toll or charge fixed under the bylaw forms a lien and charge on the land on which it has been imposed and, accordingly, the District does not anticipate significant loss for non-performance.

Liquidity risk exposure

Liquidity risk is the risk that a District will encounter difficulty in meeting obligations associated with financial liabilities. The District's exposure to liquidity risk arises mainly in respect to its accounts payable and asset retirement obligations. The District mitigates this risk by monitoring cash activities and expected outflows through budgeting.

Market risk exposure

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, price risk and foreign currency risk. The District's financial instruments are transacted in Canada and do not include publicly traded investments which results in little exposure to price risk or foreign currency risk. The District's main financial assets and liabilities are non-interest bearing which results in little exposure to interest rate risk.

GENELLE IMPROVEMENT DISTRICT

Schedule of Changes in Accumulated Surplus

For the Year Ended December 31

	Unrestricted operating fund	Internally restricted capital expenditure fund	Internally restricted capital works, renewal reserve fund	Invested in tangible capital assets	Total 2025	Total 2024
Accumulated surplus, beginning of year	\$ 307,505	\$ 30,081	\$ 562,131	\$ 953,974	\$ 1,853,691	\$ 1,832,527
Annual surplus	89,303	-	-	(73,158)	16,145	21,164
Restricted interest - transfer	(10,130)	272	9,858	-	-	-
Additions to tangible capital assets	(28,901)	-	-	28,901	-	-
Decrease in tangible capital assets due to asset retirement obligations	120,304	-	-	(120,304)	-	-
Renewal reserve fund - transfer	6,220	-	(6,220)	-	-	-
Accumulated surplus, end of year	<u>\$ 484,301</u>	<u>\$ 30,353</u>	<u>\$ 565,769</u>	<u>\$ 789,413</u>	<u>\$ 1,869,836</u>	<u>\$ 1,853,691</u>

Genelle Improvement District Management Representation Letter

April 29, 2026

**Doane Grant Thornton LLP
4-615 Columbia Ave
Castelgar, BC
V1N 1G9**

Dear Sir/Madam:

We are providing this letter in connection with your audit of the financial statements of Genelle Improvement District ("the District") as of December 31, 2025, and for the year then ended, for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of Genelle Improvement District in accordance with Canadian public sector accounting standards.

We acknowledge that we have fulfilled our responsibilities for the preparation of the financial statements in accordance with Canadian public sector accounting standards and for the design and implementation of internal controls to prevent and detect fraud and error. We have assessed the risk that the financial statements may be materially misstated as a result of fraud, and have determined such risk to be low. Further, we acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards (GAAS) so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal controls and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

Financial statements

1. The financial statements referred to above present fairly, in all material respects, the financial position of the District as at December 31, 2025 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, as agreed to in the terms of the audit engagement.

Completeness of information

2. We have made available to you all financial records and related data and all minutes of the meetings of the Trustees, as agreed in the terms of the audit engagement. Summaries of actions of recent meetings for which minutes have not yet been prepared have been provided to you. All significant board and committee actions are included in the summaries.
3. We have provided you with unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.

4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements. The adjusting journal entries which have been proposed by you are approved by us and will be recorded on the books of the District.
5. There were no restatements made to correct a material misstatement in the prior period financial statements that affect the comparative information.
6. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
7. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.
8. We have disclosed to you all known deficiencies in the design or operation of internal control over financial reporting of which we are aware.
9. We have identified to you all known related parties and related party transactions, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements guarantees, non-monetary transactions and transactions for no consideration.
10. You provided a non-audit service by assisting us with drafting the financial statements and related notes. In connection with this non-audit service, we confirm that we have made all management decisions and performed all management functions, have the knowledge to evaluate the accuracy and completeness of the financial statements, and accept responsibility for such financial statements.

Fraud and error

11. We have no knowledge of fraud or suspected fraud affecting the District involving management; employees who have significant roles in internal control; or others, where the fraud could have a non-trivial effect on the financial statements.
12. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, analysts, regulators or others.
13. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
14. We believe that the effects of the uncorrected financial statement misstatements summarized in the accompanying schedule are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Recognition, measurement and disclosure


15. We believe that the methods, significant assumptions and data used by us in making accounting estimates and related disclosures are appropriate to achieve recognition, measurement and disclosure that are in accordance with Canadian public sector accounting standards.
16. Matters related to asset retirement obligations and contaminated site liabilities accounting estimates:
 - That the significant judgments made in making accounting estimates have taken into account relevant information of which management is aware.
 - About the consistency and appropriateness in the selection or application of the methods, assumptions and data used by management in making the accounting estimates.
 - That the assumptions appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the entity, when relevant to the accounting estimates and disclosures.
 - That disclosures related to accounting estimates, including disclosures describing estimation uncertainty, are complete and are reasonable in the context of the applicable financial reporting framework.

- That appropriate specialized skills or expertise has been applied in making the accounting estimates.
 - That no subsequent event requires adjustment to the accounting estimates and related disclosures included in the financial statements.
 - When accounting estimates are not recognized or disclosed in the financial statements, about the appropriateness of management's decision that the recognition or disclosure criteria of the applicable financial reporting framework have not been met.
17. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities, both financial and non-financial, reflected in the financial statements.
 18. All related party transactions have been appropriately measured and disclosed in the financial statements.
 19. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
 20. Any goodwill or intangibles on the books of the District are evaluated whenever events or changes in circumstances indicate the carrying amount may not be recoverable to determine whether or not they have been impaired, and an appropriate loss provision is provided in the accounts where there has been a permanent impairment.
 21. All outstanding and possible claims, whether or not they have been discussed with legal counsel, have been disclosed to you and are appropriately reflected in the financial statements.
 22. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
 23. All "off-balance sheet" financial instruments have been properly recorded or disclosed in the financial statements.
 24. With respect to environmental matters:
 - a. at year end, there were no liabilities or contingencies that have not already been disclosed to you;
 - b. liabilities or contingencies have been recognized, measured and disclosed, as appropriate, in the financial statements; and
 - c. commitments have been measured and disclosed, as appropriate, in the financial statements.
 25. The District has satisfactory title to (or lease interest in) all assets, and there are no liens or encumbrances on the District's assets nor has any been pledged as collateral.
 26. We have disclosed to you, and the District has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
 27. There have been no events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the financial statements. Further, there have been no events subsequent to the date of the comparative financial statements that would require adjustment of those financial statements and related notes.

Other

28. We have considered whether or not events have occurred or conditions exist which may cast significant doubt on the District's ability to continue as a going concern and have concluded that no such events or conditions are evident.

Yours sincerely,



Rae Walker, Trustee
April 29, 2026

Date

Uncorrected Misstatements

Increase (Decrease)	Balance sheet		Income effect	
	Assets	Liabilities	Opening / Closing Equity	Earnings
To record current year impact of prior year misstatements related to interest accrual and inventory	\$ -	\$ -	\$ 5,472	\$ (5,472)

Genelle Improvement District

Year End: December 31, 2025

Trial balance

Prepared by	Reviewed by

6.3

Account	Prelim	Adj's	Reclass	Rep	Rep 12/24	%Chg	L/S
1020 Cash Clearing	(400.00)	0.00	0.00	(400.00)	(300.00)	33	A. 1
1030 Petty Cash	200.00	0.00	0.00	200.00	0.00	0	A
1041 Kootenay Savings-Masterplan	114,143.80	0.00	0.00	114,143.80	259,912.44	(56)	A. 1
1042 Kootenay Savings-Capital Exp	30,353.35	0.00	0.00	30,353.35	30,081.50	1	A. 1
1043 Kootenay Savings-Reserve Fu	365,768.84	0.00	0.00	365,768.84	362,130.88	1	A. 1
1044 Kootenay Savings-Savings Gr:	0.84	0.00	0.00	0.84	0.84	0	A. 1
1045 Kootenay Savings-membership	25.00	0.00	0.00	25.00	25.00	0	A. 1
1046 Kootenay Savings-patronage s	454.00	0.00	0.00	454.00	414.00	10	A. 1
1080 Kootenay Saver Term 1	100,000.00	0.00	0.00	100,000.00	0.00	0	B. 2
1081 Kootenay Saver Term 2	100,000.00	0.00	0.00	100,000.00	0.00	0	B. 2
1082 Kootenay Saver Term 3	0.00	0.00	0.00	0.00	100,000.00	(100)	B
1083 Kootenay Saver Term 4	0.00	0.00	0.00	0.00	100,000.00	(100)	B
1084 Kootenay Saver Term 7	100,000.00	0.00	0.00	100,000.00	0.00	0	B
1085 Kootenay Saver Term 8	100,000.00	0.00	0.00	100,000.00	0.00	0	B
1200 Accounts Receivable	(1,017.45)	1,849.37	(331.08)	500.84	538.38	(7)	C
1201 Accrued Receivables	0.00	3,718.00	0.00	3,718.00	0.00	0	C
1214 PST Recovered	31.86	0.00	0.00	31.86	31.86	0	C
1220 Prepaid Insurance	32,242.32	1,230.68	0.00	33,473.00	33,812.51	(1)	L
1240 Inventory	18,678.81	214.78	0.00	18,893.59	18,893.59	0	D
1260 Computer	1,535.97	0.00	0.00	1,535.97	1,535.97	0	U. 6
1265 Acc Depr- Computer Equipmei	(1,068.16)	(605.42)	0.00	(1,673.58)	(1,283.34)	30	U. 6
1270 Equipment - Cost	35,769.89	(24,775.00)	0.00	10,994.89	7,444.89	48	U. 6
1280 Acc Depr. - Equipment	(5,239.97)	(1,743.49)	0.00	(6,983.46)	(5,897.45)	18	U. 6
1288 Hydrants	39,396.51	0.00	0.00	39,396.51	39,396.51	0	U. 5
1289 Acc Dep -Hydrants	(18,389.82)	(1,969.82)	0.00	(20,359.64)	(19,374.73)	5	U. 5
1320 Water System - Cost	1,032,422.27	33,677.61	0.00	1,066,099.88	1,045,788.27	2	U. 13
1340 Acc Depr. - Water System	(543,920.05)	(52,608.84)	0.00	(596,528.89)	(570,285.86)	5	U. 13
1360 Reservoir - Cost	175,312.81	134,384.04	0.00	309,696.85	311,516.61	(1)	U. 8
1370 Acc Depr. - Reservoir	(63,546.26)	(54,250.23)	0.00	(117,796.49)	(98,339.30)	20	U. 8
1414 Soft Start System	22,896.56	0.00	0.00	22,896.56	22,896.56	0	U. 9
1416 Acc. Dep.- Soft start system	(11,495.72)	(4,818.85)	0.00	(16,314.57)	(13,977.34)	17	U. 9
1440 Land - Second Well	7,723.00	0.00	0.00	7,723.00	7,723.00	0	U. 1
1450 12th St. Fire Hydrant-cost	2,162.20	0.00	0.00	2,162.20	2,162.20	0	U. 5
1500 Acc Dep-12th St Fire Hydra	(1,918.12)	(108.12)	0.00	(2,026.24)	(1,972.18)	3	U. 5
1530 Reservoir Easement	4,052.00	0.00	0.00	4,052.00	4,052.00	0	U. 2
1600 Fence	1,098.00	0.00	0.00	1,098.00	1,098.00	0	U. 4
1620 Acc Dep - Fence	(1,098.00)	0.00	0.00	(1,098.00)	(1,098.00)	0	U. 4
1625 Computer	1,359.89	0.00	0.00	1,359.89	784.89	73	U. 6
1626 Accum Amort-Computer	(392.00)	0.00	0.00	(392.00)	(392.00)	0	U. 6
1630 GID Building	90,618.56	0.00	0.00	90,618.56	90,618.56	0	U. 3
1640 Acc Dep - GID Building	(75,201.06)	(2,888.40)	0.00	(78,089.46)	(76,645.26)	2	U. 3
1642 Storage Container, Class 8 (2	4,958.00	0.00	0.00	4,958.00	4,958.00	0	U. 10
1643 Acc Dep - Storage container	(4,958.00)	0.00	0.00	(4,958.00)	(4,958.00)	0	U. 10
1650 Tools	3,529.22	0.00	0.00	3,529.22	3,529.22	0	U. 11
1655 Acc Dep - Tools	(2,663.17)	(736.66)	0.00	(3,399.83)	(3,110.85)	9	U. 11
1680 Truck-2009 Ford	24,694.00	0.00	0.00	24,694.00	24,694.00	0	U. 12
1685 Acc Dep- Truck 2009 Ford	(24,694.00)	0.00	0.00	(24,694.00)	(24,694.00)	0	U. 12
1690 Reservoir #2	423,402.67	66,714.42	0.00	490,117.09	604,137.79	(19)	U. 8
1695 Reservoir #2 - amortization	(63,342.10)	(23,326.91)	0.00	(86,669.01)	(77,205.23)	12	U. 8
1700 Paving	22,125.00	0.00	0.00	22,125.00	22,125.00	0	U. 7

Genelle Improvement District

Year End: December 31, 2025

Trial balance

Prepared by	Reviewed by

6. 3-1

Account	Prelim	Adj's	Reclass	Rep	Rep 12/24	%Chg	L/S
1705 Acc Dep. Paving	(5,786.00)	(3,540.00)	0.00	(9,326.00)	(7,556.00)	23	U. 7
2150 Prepaid Revenue	(93.90)	(1,518.29)	0.00	(1,612.19)	(1,612.19)	0	BB
2200 Accounts Payable	(704.00)	(333.08)	331.08	(706.00)	(1,697.42)	(58)	BB. 1
2210 Accrued payables	(12,000.00)	0.00	0.00	(12,000.00)	(12,000.00)	0	BB. 2
2401 Source deduction adjustment	(193.82)	(640.91)	0.00	(834.73)	(834.73)	0	BB. 3
2460 WCB Payable	(611.80)	0.00	0.00	(611.80)	(568.98)	8	BB. 3
2465 KSCU Collabria Visa Payable	(589.50)	144.07	0.00	(445.43)	0.00	0	BB. 4
2475 GST paid on purchases	8,835.80	(44.00)	0.00	8,791.80	10,764.96	(18)	C
2480 GST Adjustments	124.00	0.00	0.00	124.00	124.00	0	C
2500 Asset retirement obligations	0.00	(223,032.54)	0.00	(223,032.54)	(333,698.68)	(33)	CC
2501 Deposit, Land Sale	250.00	0.00	0.00	250.00	0.00	0	L
2720 Capital Expenditure Fund	(29,373.76)	(979.42)	0.00	(30,353.18)	(30,081.33)	1	TT
2730 Replacement Reserve Fund	(519,878.00)	(45,890.46)	0.00	(565,768.46)	(562,130.50)	1	TT
2740 Equity In Fixed Assets	(1,087,686.97)	298,274.74	0.00	(789,412.23)	(953,973.86)	(17)	TT
3560 Retained Earnings-beginnin	(383,782.85)	76,278.65	0.00	(307,504.20)	(301,840.36)	2	TT
3565 Amortization - contra	(43,292.09)	(29,865.54)	0.00	(73,157.63)	(67,971.60)	8	TT
3567 Additions to PPE&E	82,356.45	(173,760.45)	0.00	(91,404.00)	10,970.00	(933)	TT
3568 Interest - received contra	105.72	166.13	0.00	271.85	0.00	0	TT
3590 Transfer to Renewal Reserve I	40,000.00	(46,220.00)	0.00	(6,220.00)	61,714.00	(110)	TT
3591 Interest to Reserve Fund	1,754.87	8,103.09	0.00	9,857.96	10,788.00	(9)	TT
4020 General Revenue	(762.98)	0.00	0.00	(762.98)	(9,782.22)	(92)	20. 4
4050 Improvement District Taxes	(120,303.38)	0.00	0.00	(120,303.38)	(119,072.38)	1	20. 1
4060 Interest On Overdue Accoun	(914.61)	0.00	0.00	(914.61)	(683.07)	34	20. 6
4075 Interest - restricted	(10,129.81)	(887.32)	0.00	(11,017.13)	(10,788.87)	2	20. 5
4100 Water Tolls	(87,205.00)	0.00	0.00	(87,205.00)	(80,834.00)	8	20. 2
4150 Garbage Taxes	0.00	0.00	0.00	0.00	(14,089.50)	(100)	20. 3
4200 Connection Fees	(1,925.00)	0.00	0.00	(1,925.00)	(225.00)	756	20. 4
4210 Water Shut off/on fees	(150.00)	0.00	0.00	(150.00)	0.00	0	20. 4
4250 Interest	(122.41)	(2,830.68)	0.00	(2,953.09)	(217.75)	1256	20. 6
5010 Advertising	69.92	0.00	0.00	69.92	191.68	(64)	50
5015 Amoritization	0.00	63,519.63	0.00	63,519.63	64,577.60	(2)	50
5016 Accretion expense - ARO	0.00	9,637.71	0.00	9,637.71	3,393.76	184	50
5020 Bank Charges	601.56	0.00	0.00	601.56	88.95	576	50
5030 Accounting	23,313.10	(880.00)	0.00	22,433.10	23,907.26	(6)	50
5040 Insurance	33,565.00	339.51	0.00	33,904.51	31,403.22	8	61
5042 Insurance-truck	747.00	0.00	0.00	747.00	8.59	8596	61
5050 Garbage Collection	0.00	0.00	0.00	0.00	13,474.53	(100)	61
5100 Workshops & Seminars	80.85	0.00	0.00	80.85	29.95	170	50
5200 Office Expense	1,378.46	0.00	0.00	1,378.46	1,418.90	(3)	50
5210 Office Maintenace	415.64	0.00	0.00	415.64	2,025.85	(79)	50
5290 Honorariums	1,815.00	0.00	0.00	1,815.00	1,575.00	15	50
5291 Trustees's tax and toll reimbu	3,200.00	0.00	0.00	3,200.00	3,392.50	(6)	50
5292 Meeting expenses	2,219.92	0.00	0.00	2,219.92	2,561.28	(13)	50
5300 Administrator Wages	3,027.42	0.00	0.00	3,027.42	4,339.42	(30)	50
5310 EI Expense	589.92	0.00	0.00	589.92	560.77	5	50
5320 CPP Expense	965.71	0.00	0.00	965.71	920.72	5	50
5330 WCB Expense	42.82	0.00	0.00	42.82	759.08	(94)	50
5380 Utilities - Office	3,315.30	0.00	0.00	3,315.30	2,671.30	24	50
5385 Cell phone-365-1540	1,909.41	0.00	0.00	1,909.41	1,263.43	51	50
5400 Telephone & Internet - Office	2,332.18	0.00	0.00	2,332.18	1,811.74	29	50

Genelle Improvement District

Year End: December 31, 2025

Trial balance

Prepared by	Reviewed by

6. 3-2

Account	Prelim	Adj's	Reclass	Rep	Rep 12/24	%Chg	L/S
5405 Garbage Office	30.00	0.00	0.00	30.00	0.00	0	50
5520 Water Analysis-Caro Analytica	0.00	0.00	0.00	0.00	962.00	(100)	61
5521 Water Analysis - shipping	32.37	0.00	0.00	32.37	36.99	(12)	30. 5
5522 Water Analysis-Passmore Lab	2,468.61	0.00	0.00	2,468.61	2,476.24	0	61
5540 Licences & Permits	1,229.13	0.00	0.00	1,229.13	1,456.52	(16)	61
5600 Water System Operator	20,298.41	0.00	0.00	20,298.41	17,654.48	15	61
5620 Casual Labour	2,536.31	0.00	0.00	2,536.31	2,957.11	(14)	61
5650 Power - Well No. 1	7,725.86	0.00	0.00	7,725.86	5,117.93	51	61
5660 Power - Well No. 2 & 3	8,047.86	0.00	0.00	8,047.86	8,399.98	(4)	61
5700 Supplies	0.00	0.00	0.00	0.00	103.73	(100)	50
5716 Truck - 2009	799.20	0.00	0.00	799.20	0.00	0	61
5720 Water System- repairs _	5,633.75	2.00	0.00	5,635.75	13,251.12	(57)	61
5725 Water System - maintenance	2,360.94	0.00	0.00	2,360.94	1,154.33	105	61
5805 Hydrants - Maintenance	5,120.00	0.00	0.00	5,120.00	0.00	0	61
5995 Gas For Truck	595.90	0.00	0.00	595.90	582.59	2	61
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>	
Net Income (Loss)	85,045.64			16,144.79	21,164.24	(24)	

Genelle Improvement District

Year End: December 31, 2025

Adjusting journal entries

Date: 1/1/2025 To 12/31/2025

Prepared by	Reviewed by

6.4

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
1	12/31/2025	Accounts Receivable	1200		1,849.37			
1	12/31/2025	Prepaid Insurance	1220		1,570.19			
1	12/31/2025	Inventory	1240		214.78			
1	12/31/2025	Acc Depr- Computer Equipment	1265			215.18		
1	12/31/2025	Acc Depr. - Equipment	1280			657.48		
1	12/31/2025	Acc Dep -Hydrants	1289			984.91		
1	12/31/2025	Water System - Cost	1320		13,366.00			
1	12/31/2025	Acc Depr. - Water System	1340			26,365.81		
1	12/31/2025	Reservoir - Cost	1360		136,203.80			
1	12/31/2025	Acc Depr. - Reservoir	1370			34,793.04		
1	12/31/2025	Acc. Dep.- Soft start system	1416			2,481.62		
1	12/31/2025	Acc Dep-12th St Fire Hydra	1500			54.06		
1	12/31/2025	Acc Dep - GID Building	1640			1,444.20		
1	12/31/2025	Acc Dep - Tools	1655			447.68		
1	12/31/2025	Reservoir #2	1690		180,735.12			
1	12/31/2025	Reservoir #2 - amortization	1695			13,863.13		
1	12/31/2025	Acc Dep. Paving	1705			1,770.00		
1	12/31/2025	Prepaid Revenue	2150			1,518.29		
1	12/31/2025	Accounts Payable	2200			1,255.08		
1	12/31/2025	Source deduction adjustment	2401			640.91		
1	12/31/2025	KSCU Collabria Visa Payable	2465		144.07			
1	12/31/2025	Asset retirement obligations	2500			333,698.68		
1	12/31/2025	Retained Earnings-beginnin	3560		18,499.51			
1	12/31/2025	Retained Earnings-beginnin	3560		67,607.23			
		To post prior year entries not posted						
2	12/31/2025	Retained Earnings-beginnin	3560		80,924.95			
2	12/31/2025	Amortization - contra	3565		43,292.09			
2	12/31/2025	Additions to PPE&E	3567			82,356.45		
2	12/31/2025	Interest - received contra	3568			105.72		
2	12/31/2025	Transfer to Renewal Reserve Fund	3590			40,000.00		
2	12/31/2025	Interest to Reserve Fund	3591			1,754.87		
		To clear out prior year reserve accounting entries						Factual
3	12/31/2025	Accounts Payable	2200		924.00			
3	12/31/2025	GST paid on purchases	2475			44.00		
3	12/31/2025	Accounting	5030			880.00		
		To reverse exact earnings invoice from PY recorded in CY						
4	12/31/2025	Equipment - Cost	1270			24,775.00		
4	12/31/2025	Water System - Cost	1320		24,775.00			
		To adjust Chlorine Injector purchase to water system capital asset account						
5	12/31/2025	Acc Depr- Computer Equipment	1265			390.24		
5	12/31/2025	Acc Depr. - Equipment	1280			1,086.01		
5	12/31/2025	Acc Dep -Hydrants	1289			984.91		
5	12/31/2025	Acc Depr. - Water System	1340			26,243.03		
5	12/31/2025	Acc Depr. - Reservoir	1370			19,457.19		
5	12/31/2025	Acc. Dep.- Soft start system	1416			2,337.23		
5	12/31/2025	Acc Dep-12th St Fire Hydra	1500			54.06		
5	12/31/2025	Acc Dep - GID Building	1640			1,444.20		
5	12/31/2025	Acc Dep - Tools	1655			288.98		
5	12/31/2025	Reservoir #2 - amortization	1695			9,463.78		
5	12/31/2025	Acc Dep. Paving	1705			1,770.00		
5	12/31/2025	Amoritization	5015		63,519.63			
		To record yearly amortization of capital assets						
6	12/31/2025	Accrued Receivables	1201	11.02-2	3,718.00			
6	12/31/2025	Interest - restricted	4075	11.02-2		887.32		
6	12/31/2025	Interest	4250	11.02-2		2,830.68		

Genelle Improvement District

Year End: December 31, 2025

Adjusting journal entries

Date: 1/1/2025 To 12/31/2025

Prepared by	Reviewed by

6. 4-1

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
To adjust investment interest from restricted fund and operating investments								
7	12/31/2025	Water System - Cost	1320			4,463.39		
7	12/31/2025	Reservoir - Cost	1360			1,819.76		
7	12/31/2025	Reservoir #2	1690			114,020.70		
7	12/31/2025	Asset retirement obligations	2500		4,463.39			
7	12/31/2025	Asset retirement obligations	2500		1,819.76			
7	12/31/2025	Asset retirement obligations	2500		104,382.99			
7	12/31/2025	Accretion expense - ARO	5016		9,637.71			
To adjust ARO for cash flow changes and accretion expense								
8	12/31/2025	Prepaid Insurance	1220		33,473.00			
8	12/31/2025	Prepaid Insurance	1220			33,812.51		
8	12/31/2025	Insurance	5040			33,473.00		
8	12/31/2025	Insurance	5040		33,812.51			
To adjust prepaid insurance								
9	12/31/2025	Capital Expenditure Fund	2720			271.85		
9	12/31/2025	Replacement Reserve Fund	2730			3,637.96		
9	12/31/2025	Equity In Fixed Assets	2740		164,561.63			
9	12/31/2025	Amortization - contra	3565			63,519.63		
9	12/31/2025	Amortization - contra	3565			9,638.00		
9	12/31/2025	Additions to PPE&E	3567		28,900.00			
9	12/31/2025	Additions to PPE&E	3567			120,304.00		
9	12/31/2025	Interest - received contra	3568		271.85			
9	12/31/2025	Transfer to Renewal Reserve Fund	3590			6,220.00		
9	12/31/2025	Interest to Reserve Fund	3591		9,857.96			
To record current year transfers to reserve accounts								
Factual								
10	12/31/2025	Capital Expenditure Fund	2720			707.57		
10	12/31/2025	Replacement Reserve Fund	2730			42,252.50		
10	12/31/2025	Equity In Fixed Assets	2740		133,713.11			
10	12/31/2025	Retained Earnings-beginnin	3560			90,753.04		
To adjust reserves and equity to net assets to actual								
11	12/31/2025	Accounts Payable	2200			2.00		
11	12/31/2025	Water System- repairs _	5720		2.00			
To round for FS purposes								
					1,162,239.65	1,162,239.65		
Net Income (Loss)			16,144.79					

Genelle Improvement District

Year End: December 31, 2025

Unrecorded journal entries

Date: 1/1/2025 To 12/31/2025

Prepared by	Reviewed by

6.11

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
PAJE1	12/31/2025	Retained Earnings-beginnin	3560			5,471.60		
PAJE1	12/31/2025	Interest - restricted	4075		4,558.00			
PAJE1	12/31/2025	Water System- repairs _	5720		913.60			
To record current year impact of prior year misstatements related to interest accrual and inventory								
					5,471.60	5,471.60		
Net Income (Loss)			10,673.19					