TOWNSHIP OF SOUTH-WEST OXFORD

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

TOWNSHIP OF SOUTH-WEST OXFORD
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

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SCRIMGEOUR & COMPANY
CPA PROFESSIONAL CORPORATION

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Township of South-West Oxford

Opinion

We have audited the accompanying consolidated financial statements of the Township of South-West Oxford (the "Township"), which comprise the Consolidated Statement of Financial Position as at December 31, 2025, and Consolidated Statements of Operations and Accumulated Surplus, Cash Flows and Change in Net Financial Assets for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Township of South-West Oxford as at December 31, 2025 and its financial performance and its changes in cash flows and net financial assets for the year then ended in accordance with Canadian public sector accounting standards.

Basis of 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 Township in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the 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 Township'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 Township or to cease operations, or has no realistic alternative but to do so.

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

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SCRIMGEOUR & COMPANY
CPA PROFESSIONAL CORPORATION

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township'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 Township's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Township to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Scrimgeour & Company

July 14, 2026
London, Canada

LICENSED PUBLIC ACCOUNTANT

TOWNSHIP OF SOUTH-WEST OXFORD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash and short-term investments (note 5)	**$ 8,017,950**	$ 9,068,380
Taxes receivable	**1,699,239**	1,454,063
Accounts receivable	**738,501**	920,424
Drains receivable	**2,264,375**	1,194,929
Investment in ERTH Corporation (note 11)	**990,139**	936,930
	13,710,204	13,574,726
LIABILITIES		
Accounts payable and accrued liabilities	**2,074,674**	2,592,357
Deferred revenue (note 8)	**778,422**	875,950
Net long-term liabilities (note 9)	**1,736,788**	1,995,797
Asset retirement obligation (note 16)	**171,565**	167,380
	4,761,449	5,631,484
NET FINANCIAL ASSETS	**8,948,755**	7,943,242
NON-FINANCIAL ASSETS (note 1.d)		
Tangible capital assets (note 1.d.i) (Schedule 1)	**26,170,312**	23,680,999
Work in progress	**273,889**	796,727
Inventory of supplies	**15,854**	15,504
Prepaid expenditures	**506,069**	600,234
	26,966,124	25,093,464
ACCUMULATED SURPLUS (NOTE 10)	**$ 35,914,879**	$ 33,036,706

Approved by:

Approved by:

Brooke Clare

The accompanying notes are an integral part of the financial statements

TOWNSHIP OF SOUTH-WEST OXFORD
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget 2025	Actual 2025	Actual 2024
REVENUE			
Taxation revenue	$ 7,156,606	$ 7,422,759	$ 6,461,582
User charges	831,915	1,001,828	1,056,021
Government grants (note 18)	2,252,430	2,604,947	2,563,020
Investment income	125,000	250,443	424,590
Penalty and interest on taxes	130,000	232,522	192,358
Other income	2,500	7,253	46,897
	10,498,451	11,519,752	10,744,468
EXPENDITURES			
General government	1,509,284	1,613,844	1,561,834
Protection to persons and property	2,735,485	2,967,716	2,846,913
Transportation services	2,596,883	3,277,166	3,175,684
Environmental services	343,055	400,138	393,018
Health	15,190	75,958	73,931
Recreation and cultural development	527,819	644,381	620,988
Planning and development	1,294,969	862,546	974,180
	9,022,685	9,841,749	9,646,548
EXCESS OF REVENUE OVER EXPENDITURES BEFORE OTHER	1,475,766	1,678,003	1,097,920
OTHER			
Investment increase in ERTH	-	53,209	36,936
Government transfers related to capital	465,515	232,307	252,474
Developer and other contributions related to capital	370,899	425,206	267,932
Gain on disposal of capital assets	474,000	489,448	104,417
	1,310,414	1,200,170	661,759
EXCESS OF REVENUE OVER EXPENDITURES	2,786,180	2,878,173	1,759,679
ACCUMULATED SURPLUS, BEGINNING OF YEAR	33,036,706	33,036,706	31,277,027
ACCUMULATED SURPLUS, END OF YEAR (NOTE 10)	$ 35,822,886	$ 35,914,879	$ 33,036,706

TOWNSHIP OF SOUTH-WEST OXFORD
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING ACTIVITIES		
Excess of revenue over expenditures (page 4)	**$ 2,878,173**	$ 1,759,679
Non-cash changes to operations		
Amortization of tangible capital assets	**1,547,677**	1,517,649
Loss (gain) on disposal of capital assets	**26,153**	-
Changes in equity - ERTH Corporation	**(53,209)**	(36,936)
Changes in working capital other than cash (A)	**(1,743,725)**	530,981
	2,655,069	3,771,373
INVESTING ACTIVITIES		
Acquisition of tangible capital assets	**(4,063,143)**	(2,386,235)
Decrease (increase) in work in progress	**522,838**	(743,954)
Decrease (increase) in inventory of supplies	**(350)**	594
Decrease (increase) in prepaid expenditures	**94,165**	(112,480)
	(3,446,490)	(3,242,075)
FINANCING ACTIVITIES		
Net change in long-term debt	**(259,009)**	(272,483)
	(259,009)	(272,483)
Net change in cash short-term investments, during the year	**(1,050,430)**	256,815
Cash and short-term investments, beginning of year	**9,068,380**	8,811,565
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	**$ 8,017,950**	$ 9,068,380

(A) Changes in working capital other than cash includes the net change in taxes receivable, accounts receivable, drains receivable, accounts payable and accrued liabilities, deferred revenue and asset retirement obligation.

The accompanying notes are an integral part of the financial statements

TOWNSHIP OF SOUTH-WEST OXFORD
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget 2025	Actual 2025	Actual 2024
Excess of revenue over expenditures (page 4)	$ 2,786,180	$ 2,878,173	$ 1,759,679
Amortization of tangible capital assets	-	1,547,677	1,517,649
Acquisition of tangible capital assets	(4,694,098)	(4,063,143)	(2,386,235)
(Gain) loss on sale of tangible capital assets	474,000	26,153	-
Decrease (increase) in work in progress	-	522,838	(743,954)
Decrease (increase) in inventory of supplies	-	(350)	594
Decrease (increase) in prepaid expenditures	-	94,165	(112,480)
Change in net financial assets	(1,433,918)	1,005,513	35,253
NET FINANCIAL ASSETS, BEGINNING OF YEAR	7,943,242	7,943,242	7,907,989
NET FINANCIAL ASSETS, END OF YEAR	$ 6,509,324	$ 8,948,755	$ 7,943,242

TOWNSHIP OF SOUTH-WEST OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

The Corporation of the Township of South-West Oxford (the "Township") is a lower-tier Township in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

1. Significant accounting policies

The consolidated financial statements of the Township of South-West Oxford are prepared by management in accordance with Canadian public sector accounting standards (PS).

The focus of these consolidated financial statements is on the financial position of the Township and changes thereto. The Consolidated Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Net financial assets represent the financial position of the Township and are the difference between financial assets and liabilities. This information explains the Township's overall future revenue requirements and its ability to finance activities and meet its obligations.

a. Reporting entity

These consolidated statements reflect the financial assets, liabilities, operating revenue and expenditures and accumulated surpluses and changes in investment in tangible capital assets of the Township of South-West Oxford and all committees and boards of Council. These include the following:

Beachville Cemetery Board
Sweaburg Union Cemetery Board
West Oxford Cemetery Board
Beachville Recreation Committee
Brownsville Community Hall
Dereham Centre Community Centre
Mount Elgin Community Centre
Mount Elgin Fund Raising Committee
Mount Elgin Recreation Committee
Salford Community Hall Board
Sweaburg Park Board
West Oxford Hall Board

b. Revenue recognition

Revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Government grants and transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

c. Trust funds

Trust funds and their related operations administered by the Township are not consolidated but are reported separately on the Trust Fund Financial Statements.

1. Significant accounting policies continued

d. 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. The change in non-financial assets during the year, together with the excess of revenue over expenditures, provides the Consolidated Change in Financial Assets for the year.

i. Tangible capital assets

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

Land Improvements	10 to 50 years
Buildings and structures	30 to 40 years
Vehicles, machinery and equipment	5 to 30 years
Infrastructure	15 to 75 years

Amortization is charged for a half year in the year of acquisition and in the year of disposal. The Township has capitalization thresholds of $5,000 to $25,000, depending on the nature of the asset, so that individual assets of lesser value are expensed unless they are pooled because collectively, they have a significant value.

ii. Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expense as incurred.

iii. Contributions of tangible capital assets

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

e. Deferred revenue

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenditures are incurred, services performed or the tangible capital assets are acquired.

1. Significant accounting policies continued

f. Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

g. Asset retirement obligations

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

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that the future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

Certain buildings containing asbestos are estimated and recognized as a liability and an increase in the cost of the asset at the time of acquisition. In addition, the Township owns a gravel pit which has not been capitalized but does have a post-closing cost that has been included in the asset retirement obligation in accordance with PS 3280. The liability is discounted annually over the same useful life as the asset's annual amortization expense, calculated in accordance with the Township's amortization policies. The liability is increased each year, due to the passage of time and is recorded as accretion expense on Schedule 2 under Rents and Financial Expenses.

h. Financial instruments

Financial instruments of the Township consist mainly of cash, accounts receivable and taxes receivable. The carrying values of these financial assets approximate their fair values unless otherwise disclosed.

i. Budget

The Township's Council completes separate budget reviews for its operating and capital budget each year. The approved operating budget for 2025 is reflected on the Consolidated Statement of Operations and Accumulated Surplus. For capital spending, budgets are set for individual projects and funding for these activities is determined annually and made by transfers from surplus funds and by application of applicable grants or other funds available to apply to capital projects.

2. Public Sector Accounting Standards (PSAS)

There are two new PSAS that will be implemented for the year ended December 31, 2027.

PS 1100 will replace PS 1000. This standard provides a new Conceptual Framework providing guidance for the application of accounting policies where no standard exists and will guide future new standards.

PS 1202 will result in a new Financial Statement Presentation Model. The changes will result in the following:

a. Restructured Statement of Financial Position with liabilities classified as financial or non-financial.
b. New statements disclosing the change in net assets and net debt as well as debt indicators.
c. Isolated financing transactions in the Statement of Cash Flows.

Management is currently assessing the impact of these new standards on future financial statements.

3. Tax revenue

Property tax billings are prepared by the Township based on an assessment roll prepared by the Municipal Property Assessment Corporation. All assessed property values in the Township were reviewed and new values established based on a common valuation date which was used by the Township in computing the 2025 property tax bills. Property tax revenue and tax receivables are subject to appeals which may not have been heard yet. Any supplementary billing adjustments made necessary by the determination of such appeals will be recognized in the fiscal year they are determined and the effect shared with the Township of South-West Oxford and the appropriate school boards.

4. Trust funds

Trust funds administered by the Township amounting to $521,793 (2024 - $513,731) have not been included in these consolidated financial statements.

5. Investments

The Township's investment activities are governed by the Municipal Act and the Township's investment policy. The short-term investments of $4,616,636 (2024 - $4,512,755) are recorded at cost plus accrued interest. The investments have a market value of $4,616,636 (2024 - $4,512,755). the market value represents the realizable value of the investments if they were sold on December 31, 2025. The investments are held in money market accounts and guaranteed investment certificates earning interest at annual rates of 1.84% to 3.15%. Accordingly, only realized gains and losses are recognized in the Consolidated Statement of Operations and Accumulated Surplus.

6. Operations of School Boards and the County of Oxford

The Township is required to bill, collect and remit taxation revenue on behalf of the school boards and County of Oxford pursuant to provincial legislation. The Township has no jurisdiction or control over the operations of these entities or the setting of their tax rates. Therefore, the taxation, other revenue, expenditures, assets and liabilities with respect to the operations of the school boards and the County are not reflected in these consolidated financial statements. Taxation revenue billed and requisitions paid on behalf of the school boards and County of Oxford are not reflected in the Consolidated Statement of Operations and Accumulated Surplus and are comprised of the following:

	School Boards	County
Taxation	**$ 2,340,762**	**$ 6,391,803**
Requisitions	**$ 2,340,762**	**$ 6,391,803**

7. Pension agreements

The Township makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of services and rates of pay.

The amount contributed to OMERS for 2025 was $230,571 (2024 - $194,008) for current service and is included as an expenditure on the Consolidated Statement of Operations and Accumulated Surplus. The Township has no obligation, as of December 31, 2025, under the past service provisions. The OMERS funding ratio for 2025 is 99.0% (2024 - 98.0%).

8. Deferred revenue

The deferred revenue balance is comprised of the following:

	2025	2024
Development charges	**$ 233,714**	$ 313,977
Parkland	**3,812**	36,315
Deferred capital contributions	**31,990**	16,752
Safe Restart	**59,415**	59,415
Federal gas tax	**449,491**	449,491
	$ 778,422	$ 875,950

9. Long-term liabilities

a. Composition of long-term liabilities

The balance of long-term liabilities reported on the Consolidated Statement of Financial Position is made up of the following:

	2025	2024
Total long-term incurred by the Township and outstanding at the end of the year amount to	**$ 1,736,788**	$ 1,995,797
	$ 1,736,788	$ 1,995,797

b. Debt retirement

Of the net long-term liabilities reported in note a. of this note, the minimum principal repayments required are estimated as follows:

2026	$ 340,641
2027	$ 352,346
2028	$ 116,116
2029	$ 110,552
2030	$ 94,634
2031 and thereafter	$ 722,499

The debt repayment includes $141,763 (2024 - $108,295) that is recoverable from ratepayers.

c. Approval

The long-term liabilities issued in the name of the Township have received approval of the Ontario Municipal Board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The annual principal and interest payments required to service these pending issues and commitments are within the debt repayment limit prescribed by the Ministry of Municipal Affairs.

d. Interest

Interest paid on long-term liabilities for the year ending December 31, 2025 is $72,667 (2024 - $85,215).

e. Contingent liability

The Township is contingently liable for long term liabilities with respect to tile drainage loans in the amount of $7,736 (2024 - $10,028). These are not recorded on the Consolidated Statement of Financial Position.

10. Accumulated Surplus

The accumulated surplus on the Consolidated Statement of Financial Position at the end of the year is comprised of the following:

	2025	2024
Surplus		
Operations	**$ 948,360**	$ 1,083,410
Investment in tangible capital assets	**24,707,413**	22,590,223
Investment in ERTH Corporation (note 11)	**990,139**	936,930
Asset retirement obligation (note 16)	**(171,565)**	(167,380)
	26,474,347	24,443,183
Reserves	**9,440,532**	8,593,523
ACCUMULATED SURPLUS	**$ 35,914,879**	$ 33,036,706

11. Investment in ERTH Corporation

As at December 31, 2025, the Township owns 1.7% (2024 - 1.7%) of ERTH Corporation. As a government business enterprise of the Township, it is accounted for on a modified Equity basis in these financial statements and is comprised of the following:

	2025	2024
Promissory note receivable	**$ 256,500**	$ 256,500
Equity	**733,639**	680,430
	$ 990,139	$ 936,930

The promissory note receivable from ERTH Corporation is unsecured and bears interest at 7.25% (2024 - 7.25%). The term of the note is undefined, but no principal repayments are expected within the next twelve months. Interest received during the year is $18,596 (2024 - $18,596).

TOWNSHIP OF SOUTH-WEST OXFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

11. Investment in ERTH Corporation continued

The following table provides condensed supplementary financial information for ERTH Corporation for the year ended December 31 from their audited financial statements:

	2025	2024
Financial Position		
Total Net Assets	**$ 43,094,867**	$ 39,969,270
Results from Operations		
Total revenue	**$ 121,475,284**	$ 109,845,547
Total operating and other expenditures	**117,319,687**	106,955,914
Total comprehensive income	**$ 4,155,597**	$ 2,889,633

ERTH Corporation's financial statements are prepared in accordance with International Financial Reporting Standards.

ERTH Corporation declared a dividend of $1,030,000 in 2025 (2024 - $720,000) of which the Township's portion is $17,535 (1.7%) (2024 - $12,257 (1.7%)).

12. Budget figures

The Township's Council completes separate budget reviews for its operating and capital budgets each year. The approved operating budget for 2025 is reflected on the Consolidated Statement of Operations and Accumulated Surplus.

13. Commitments

The Township entered into a policing contract that expires on December 31, 2025 with the Ontario Provincial Police. The contracted amount for 2025 was $1,073,544 (2024 - $1,061,544). The contract is renewable on a yearly basis.

14. Public sector salary disclosure

There were seven employees paid a salary, as defined in the Public Sector Disclosure Act, 1996 of $100,000 or more.

15. Segmented Information

Segmented information is presented on Schedule 2. The Township is a diversified Township and provides a wide range of services to its citizens including police through contracted services, fire, transportation, cemetery, and community services, including recreation and planning. The general government segment includes such functions as finance, council and administrative offices.

16. Asset retirement obligations

The Township's asset retirement obligation consists of the following:

a. Gravel pit closure obligation

The Township owns and operates a gravel pit. The liability for the closure of operational sites and post-closure care has been recognized under PS 3280 - Asset Retirement Obligations. The costs are based on presently known obligations that will exist at the estimated year of closure of the gravel pit. It is anticipated the gravel pit will close in approximately 30 years.

b. Asbestos obligation

The Township owns and operates buildings that are known to have asbestos, which is subject to health and safety regulatory requirements if disturbed or removed. In accordance with the adoption of PS 3280 - Asset Retirement Obligations, the Township recognized an obligation related to the removal of asbestos. Remaining useful lives are determined on an individual asset basis. The related asset retirement costs were discounted to December 31, 2025 using a discount rate of 2.5% per annum.

Changes to the asset retirement obligation in the year are as follows:

	Gravel Pit Closure	Asbestos Removal	2025	2024
Beginning of year	**$ 78,150**	**$ 89,230**	**$ 167,380**	$ 163,298
Accretion expense	**1,954**	**2,231**	**4,185**	4,082
END OF YEAR	**$ 80,104**	**$ 91,461**	**$ 171,565**	$ 167,380

17. Comparative balances

Certain comparative balances have been reclassified to conform with current year's financial statement presentation.

18. Significant event

Council is currently evaluating the Township's requirement for a new administration building. As part of this evaluation, preliminary applications have been made for funding for this project.

TOWNSHIP OF SOUTH-WEST OXFORD
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Land and Improvements	Buildings and Structures	Vehicles, Machinery and Equipment	Infrastructure	2025 Total	2024 Total
COST						
Balance, beginning of year	$ 2,535,991	$ 8,564,868	$ 10,163,708	$ 33,207,628	$ 54,472,195	$ 52,245,072
Add:						
Additions during the year	1,641,210	140,033	1,252,441	1,029,459	4,063,143	2,386,235
Less						
Disposals during the year	(34,297)	(58,342)	(385,952)	-	(478,591)	(159,112)
Balance, end of year	4,142,904	8,646,559	11,030,197	34,237,087	58,056,747	54,472,195
ACCUMULATED AMORTIZATION						
Balance, beginning of year	859,266	3,376,633	5,992,683	20,562,614	30,791,196	29,432,659
Add:						
Amortization during the year	52,242	211,382	527,882	756,171	1,547,677	1,517,649
Less:						
Disposals during the year	(8,144)	(58,342)	(385,952)	-	(452,438)	(159,112)
Balance, end of year	903,364	3,529,673	6,134,613	21,318,785	31,886,435	30,791,196
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	$ 3,239,540	$ 5,116,886	$ 4,895,584	$ 12,918,302	$ 26,170,312	$ 23,680,999

This schedule is provided for information purposes only.

TOWNSHIP OF SOUTH-WEST OXFORD
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Government	Protective Services	Transportation	Environmental	Health	Recreation and Culture	Planning	Total
REVENUE								
Taxation	$ 7,422,759	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,422,759
User fees	99,734	360,694	158,847	8,770	61,322	205,701	106,760	1,001,828
Government grants	1,813,699	9,235	505,287	340,770	-	-	168,263	2,837,254
Investment income	231,432	-	-	-	15,949	3,062	-	250,443
Penalty and interest on taxes	232,522	-	-	-	-	-	-	232,522
Other	53,209	141,888	329,585	-	-	450,434	-	975,116
	9,853,355	511,817	993,719	349,540	77,271	659,197	275,023	12,719,922
EXPENDITURES								
Salaries and benefits	1,158,843	881,184	1,075,749	123,868	-	154,692	61,519	3,455,855
Materials, goods and services	425,176	1,702,468	1,154,525	231,215	75,625	376,050	789,531	4,754,590
Rents and financial expenses	7,007	37,301	32,626	-	-	1,999	4,694	83,627
Amortization	22,818	346,763	1,014,266	45,055	333	111,640	6,802	1,547,677
	1,613,844	2,967,716	3,277,166	400,138	75,958	644,381	862,546	9,841,749
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE)	$ 8,239,511	$ (2,455,899)	$ (2,283,447)	$ (50,598)	$ 1,313	$ 14,816	$ (587,523)	$ 2,878,173

This schedule is provided for information purposes only.