

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

 **KENT & DUFFETT**
Chartered Professional Accountants

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

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TOWN OF ANNAPOLIS ROYAL
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024


Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Town of Annapolis Royal 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"). A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The 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 Kent & Duffett Chartered Professional Accountants, 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.



Mayor

September 18, 2024



Chief Administrative Officer

September 18, 2024

INDEPENDENT AUDITOR'S REPORT

Mayor and Members of Council of the Town of Annapolis Royal

Opinion

We have audited the consolidated financial statements of **The Town of Annapolis Royal** which comprise the consolidated statement of financial position as at March 31, 2024, consolidated statement of financial operations, consolidated change in net debt and consolidated 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 consolidated financial statements of the Town are prepared, in all material respects, 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 Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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 basic consolidated financial statements taken as a whole. The supplementary information included in the Schedules on pages 18 to 35 are presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

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

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

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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.

INDEPENDENT AUDITOR'S REPORT (continued)***Auditor's Responsibilities for the Audit of the Financial Statements***

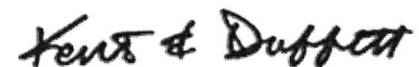
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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 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.

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.



Kentville, Nova Scotia
September 18, 2024

Chartered Professional Accountants
Registered Municipal Auditor

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2024</u>	<u>2023</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
REVENUES	(unaudited)		
Assessable property taxes	\$ 1,437,394	\$ 1,438,421	\$ 1,268,162
Grants in lieu of taxes	448,620	493,581	450,376
Sales of services	90,237	127,280	111,377
Other revenue from own sources	373,884	569,986	605,191
Unconditional transfers from other governments	191,956	191,956	191,956
Conditional transfers from federal or provincial governments or agencies	-	170,769	76,902
Water rates	265,600	270,582	259,430
	<u>2,807,691</u>	<u>3,262,575</u>	<u>2,963,394</u>
EXPENDITURES			
General government services	436,017	420,053	653,754
Protective services	583,795	561,756	529,930
Transportation services	276,301	242,967	445,956
Environmental health services	379,665	293,589	221,918
Recreation and cultural services	104,285	109,211	87,999
Marketing and economic development	246,476	214,504	259,629
Fiscal services	7,759	4,325	7,706
Planning	63,702	65,273	63,485
Mandatory education contributions	150,000	153,876	146,148
Amortization	56,400	399,489	407,875
Water treatment and distribution	340,644	328,416	308,774
	<u>2,645,044</u>	<u>2,793,459</u>	<u>3,133,174</u>
ANNUAL SURPLUS (DEFICIT)	\$ 162,647	469,116	(169,780)
ACCUMULATED SURPLUS AT BEGINNING OF YEAR		<u>10,565,324</u>	<u>10,735,104</u>
ACCUMULATED SURPLUS AT END OF YEAR		<u><u>\$ 11,034,440</u></u>	<u><u>\$ 10,565,324</u></u>

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

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED STATEMENT OF FINANCIAL POSITION


AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
FINANCIAL ASSETS		
Cash	\$ 3,513,740	\$ 3,110,545
Accounts receivable (net of allowance) (note 2)	<u>290,154</u>	<u>482,285</u>
	<u>3,803,894</u>	<u>3,592,830</u>
LIABILITIES		
Accounts payable and accrued liabilities	351,111	497,480
Deferred revenue (note 10)	796,989	773,986
Long-term debt (note 6)	<u>192,763</u>	<u>237,876</u>
	<u>1,340,863</u>	<u>1,509,342</u>
NET ASSETS (page 6)	<u>2,463,031</u>	<u>2,083,488</u>
NON-FINANCIAL ASSETS		
Inventory	38,908	28,757
Tangible capital assets (note 5)	8,454,455	8,444,643
Prepaid expenses	<u>78,046</u>	<u>8,436</u>
	<u>8,571,409</u>	<u>8,481,836</u>
ACCUMULATED SURPLUS	<u>\$ 11,034,440</u>	<u>\$ 10,565,324</u>

Commitments (note 12)

On behalf of the Town


 _____ Mayor


 _____ Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS

AS AT MARCH 31, 2024

	<u>Budget</u> (unaudited)	<u>2024</u>	<u>2023</u>
ANNUAL SURPLUS (page 4)	\$ 162,647	\$ 469,116	\$ (169,780)
Acquisition of tangible capital assets and donated assets		(450,715)	(389,761)
Amortization of tangible capital assets	56,400	399,489	407,875
Loss (gain) on sale of tangible capital assets	-	(19,622)	-
Proceeds on sale of tangible capital assets	-	61,036	-
	<u>219,047</u>	<u>459,304</u>	<u>(151,666)</u>
Change in inventory and prepaid expenses	<u>-</u>	<u>(79,761)</u>	<u>(2,978)</u>
Increase (decrease) in net assets	219,047	379,543	(154,644)
NET ASSETS AT BEGINNING OF YEAR		<u>2,083,488</u>	<u>2,238,132</u>
NET ASSETS AT END OF YEAR		<u>\$ 2,463,031</u>	<u>\$ 2,083,488</u>

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 469,116	\$ (169,780)
Net change in non-cash working capital balances		
Amortization	399,489	407,875
Loss (gain) on disposal of assets	<u>(19,622)</u>	<u>-</u>
	848,983	238,095
Net change in working capital balances		
Decrease (increase) in accounts receivable	192,131	(219,524)
Increase (decrease) in accounts payable and accrued liabilities	<u>(146,369)</u>	<u>74,938</u>
Increase (decrease) in deferred revenue	23,003	337,389
Increase (decrease) in inventory	<u>(10,151)</u>	<u>(1,399)</u>
Decrease (increase) in prepaid expenses	<u>(69,610)</u>	<u>(1,580)</u>
	837,987	427,919
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets and donated assets	<u>(450,715)</u>	<u>(389,761)</u>
Proceeds on sale of tangible capital assets	61,036	-
	(389,679)	(389,761)
FINANCING TRANSACTIONS		
Repayment of long-term debt	<u>(45,113)</u>	<u>(44,311)</u>
	(45,113)	(44,311)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	403,195	(6,153)
Cash and cash equivalents at beginning of year	<u>3,110,545</u>	<u>3,116,698</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 3,513,740</u>	<u>\$ 3,110,545</u>

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

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town of Annapolis Royal are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of Chartered Professional Accountants 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, expenditures and change in fund balances and in the financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable to the Town for the administration of their financial affairs and resources and which are owned or controlled by the Town, namely;

- General operating and capital funds
- Water utility and capital funds
- Reserve funds

Interdepartmental and organizational transactions and balances have been eliminated.

b) Fund Accounting

Funds within the consolidated financial statements consist of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balances.

c) Revenue and Expenditures

Revenues are recorded using the accrual basis of accounting as they are earned and measurable. Funds from external parties and earnings restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified. Expenditures are accounted for in the period the goods and services are acquired and liability is incurred or transfer is due.

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates can be made.

Tax revenue is based on assessments determined in accordance with Nova Scotia Legislation. Tax rates are set annually. Taxation revenues are recorded at the time tax billings are issued. Taxation revenue is subject to appeal. Penalties and overdue taxes are recorded in the period levied.

All other revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Investment income earned on surplus current funds, capital funds, and reserve funds are reported as revenue in the period earned.

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Tangible Capital Assets

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

<u>Town Capital</u>	<u>Years</u>	<u>Water Utility</u>	<u>Years</u>
Buildings	40	Water structures and mains	75
Machinery and equipment	5-15	Water pumping and treatment equipment	5-20
Office equipment	5	Hydrants	50
Parks and open space infrastructure	5-15	Water Meters	20
Vehicles	5		
Streets	30		
Sidewalks	20-30		
Street lighting	25		
Sewer collection system	40		
Storm water	40		
Sewer treatment plant	25		

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

e) Contributions of Tangible Capital Assets

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

f) Water Utility

Capital assets and projects in progress are recorded at the utility's gross costs. Interest incurred during construction on significant water capital projects is capitalized.

g) Amortization

Amortization of capital assets is recorded in the water capital fund calculated on a formula prescribed by the Nova Scotia Utility and Review Board.

Amortization of capital assets recorded in the water operating fund is transferred to a special bank account in the water capital fund which is used to help fund replacement of existing plant and equipment, or subject to approval by the Nova Scotia Utility and Review Board, to repay principal on capital debt.

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Valuation Allowances

Uncollected taxes and rates:

The Town provides a valuation allowance for estimated losses that will be incurred in collecting taxes and rates receivable outstanding.

i) Financial Instruments

The financial instruments consist of cash, accounts receivables, accounts payables, accrued liabilities, short term borrowings and long term debt. Unless otherwise noted, it is managements' opinion that the Town is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

j) Allocation of Municipal Costs to Water Utility Funds

Where identifiable, costs incurred by the Town of Annapolis Royal on behalf of the Water Utility are charged to the utility funds. The Water Utility and the Town cost-shared certain expenses resulting in the Water Utility receiving in aggregate for 2024 \$110,130 (2023 - \$110,130). The \$110,130 is for the fire protection levy only. Administrative expenses and certain public works expenses are also cost-shared.

k) Annapolis Royal Housing Authority Reserve

In the terms with the acceptance of funds received, the Town has agreed to pay 12.5% of the net operating costs of the Annapolis Royal Housing Authority for a fifty-year period ending 2028.

l) Use of Estimates

The preparation of the consolidated financial statements in conformity with Canadian Accounting Standards for the Public Sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and the 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 may differ from those estimates. The most significant accounting estimates in these consolidated financial statements include allowance for doubtful accounts and estimated useful life of tangible capital assets.

m) Deferred Contributions

Assistance towards the acquisition of tangible capital assets by the Water Utility subsequent to April 1, 2007, is amortized on the same basis as the related tangible capital asset that was purchased with the capital grant received.

n) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, short term deposits and original maturities of three months or less. Bank borrowings are considered to be financing activities.

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

2. ACCOUNTS RECEIVABLE

	Current Year	Prior Year	2024 Total	2023 Total
Tax receivable				
Balance at beginning of year	\$ -	\$ 24,059	\$ 24,059	\$ 13,357
Add:				
Current year's tax levy	1,400,352	-	1,400,352	1,240,059
	1,400,352	24,059	1,424,411	1,253,416
Deduct:				
Current year's tax collection	1,370,658	6,722	1,377,380	1,224,357
Write offs and allowances	-	-	-	-
Valuation allowance	5,000	-	5,000	5,000
Total tax receivable			\$ 42,031	\$ 24,059
HST receivable			51,013	140,942
Interest receivable			7,142	58,019
Due from province			-	11,028
Water Receivable (net of allowance \$2,500)			60,465	53,073
Capital contribution receivable			-	20,000
Other			129,503	175,164
			<u>\$ 290,154</u>	<u>\$ 482,285</u>

3. VALUATION ALLOWANCES

	2024	2023
Valuation allowance, uncollectible taxes		
Balance, beginning of year	\$ 5,000	\$ 5,000
Add provision for the year	-	-
Deduct uncollectible taxes written off	-	-
Balance, end of year	<u>\$ 5,000</u>	<u>\$ 5,000</u>

4. DEPRECIATION FUND (WATER UTILITY)

	2024	2023
Balance, beginning of year	\$ 524,947	\$ 462,607
Add (deduct):		
Interest earned	38,818	3,717
Prior year depreciation	56,410	58,623
Balance, end of year	<u>\$ 620,175</u>	<u>\$ 524,947</u>

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

5. TANGIBLE CAPITAL ASSETS

<u>Town Capital</u>	Cost 2023	Additions	Disposals	Cost 2024	Accumulated		Accumulated		Net Book
					Amortization	Adjustment	Amortization	Amortization	
					2023		Expense	2024	Value
Land	\$ 144,360	\$ -	\$ -	\$ 144,360	\$ -	\$ -	\$ -	\$ -	\$ 144,360
Buildings	3,262,516	-	-	3,262,516	1,662,505	-	69,701	1,732,206	1,530,310
Machinery & Equipment	634,881	149,112	108,528	675,465	391,005	67,113	13,770	337,662	337,803
General office equipment	212,857	-	-	212,857	125,434	-	17,820	143,254	69,603
Land improvements & trails	1,716,940	-	-	1,716,940	937,004	-	42,418	979,422	737,518
Police equipment	180,955	-	-	180,955	102,290	-	19,332	121,622	59,333
Street & parking lots	918,516	-	-	918,516	567,359	-	27,578	594,937	323,579
Sidewalks	988,076	-	-	988,076	741,451	-	40,220	781,671	206,405
Street lighting	35,269	-	-	35,269	27,680	-	581	28,261	7,008
Wharf	319,600	-	-	319,600	38,364	-	12,788	51,152	268,448
Sewer collection system	3,190,933	79,402	-	3,270,335	1,377,446	-	66,735	1,444,181	1,826,154
Storm water system	727,879	-	-	727,879	344,725	-	14,484	359,209	368,670
Sewage treatment plant	393,262	131,429	-	524,691	230,006	-	9,198	239,204	285,487
	<u>\$ 12,726,044</u>	<u>\$ 359,943</u>	<u>\$ 108,528</u>	<u>\$ 12,977,459</u>	<u>\$ 6,545,269</u>	<u>\$ 67,113</u>	<u>\$ 334,625</u>	<u>\$ 6,812,781</u>	<u>\$ 6,164,678</u>
<u>Water Capital</u>									
Land	\$ 9,838	\$ -	\$ -	\$ 9,838	\$ -	\$ -	\$ -	\$ -	\$ 9,838
Hydrants	30,252	-	-	30,252	11,529	-	908	12,437	17,815
Structures and improvements									
Reservoir	597,343	-	-	597,343	163,850	-	10,867	174,717	422,626
Pumping	95,010	-	-	95,010	62,837	-	1,264	64,101	30,909
Wells	59,527	-	-	59,527	14,828	-	792	15,620	43,907
Equipment - pumping	48,729	37,836	-	86,565	28,859	-	6,412	35,271	51,294
Vehicles	36,320	-	-	36,320	21,792	-	7,264	29,056	7,264
Mains									
Transmission	1,073,366	39,151	-	1,112,517	239,188	-	14,027	253,215	859,302
Distribution	1,350,921	-	-	1,350,921	587,121	-	17,945	605,066	745,855
Equipment									
Service	126,809	13,785	-	140,594	65,825	-	5,293	71,118	69,476
Meters	41,650	-	-	41,650	40,832	-	91	40,923	727
Water study	30,764	-	-	30,764	-	-	-	-	30,764
	<u>\$ 3,500,529</u>	<u>\$ 90,772</u>	<u>\$ -</u>	<u>\$ 3,591,301</u>	<u>\$ 1,236,661</u>	<u>\$ -</u>	<u>\$ 64,863</u>	<u>\$ 1,301,524</u>	<u>\$ 2,289,777</u>
	<u>\$ 16,226,573</u>	<u>\$ 450,715</u>	<u>\$ 108,528</u>	<u>\$ 16,568,760</u>	<u>\$ 7,781,930</u>	<u>\$ 67,113</u>	<u>\$ 399,488</u>	<u>\$ 8,114,305</u>	<u>\$ 8,454,455</u>

School properties which are owned by the Town but in use by the Regional School Board are not recorded as tangible capital assets. No amortization is recorded by the Town as long as the properties are in use by, and under the control of, the Regional School Board. School properties with a net book value of \$46,928 have been removed from these statements to reflect this policy.

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

5. TANGIBLE CAPITAL ASSETS (continued)

Town Capital	Cost 2022	Additions	Disposals	Cost 2023	Accumulated Amortization			Accumulated Amortization		Net Book Value
					2022	Adjustment	Expense	2023		
Land	\$ 144,360	\$ -	\$ -	\$ 144,360	\$ -	\$ -	\$ -	\$ -	\$ 144,360	
Buildings	3,262,516	-	-	3,262,516	1,592,328	-	70,177	1,662,505	1,600,011	
Machinery & Equipment	626,747	8,134	-	634,881	380,099	-	10,906	391,005	243,876	
General office equipment	193,903	18,954	-	212,857	104,402	-	21,032	125,434	87,423	
Land improvements & trails	1,706,482	10,458	-	1,716,940	888,811	-	48,193	937,004	779,936	
Police equipment	171,577	9,378	-	180,955	76,368	-	25,922	102,290	78,665	
Street & parking lots	918,516	-	-	918,516	539,781	-	27,578	567,359	351,157	
Sidewalks	988,076	-	-	988,076	693,988	-	47,463	741,451	246,625	
Street lighting	35,269	-	-	35,269	26,270	-	1,410	27,680	7,589	
Wharf	319,600	-	-	319,600	25,576	-	12,788	38,364	281,236	
Sewer collection system	2,936,847	254,086	-	3,190,933	1,315,132	-	62,314	1,377,446	1,813,487	
Storm water system	727,879	-	-	727,879	330,241	-	14,484	344,725	383,154	
Sewage treatment plant	393,262	-	-	393,262	220,808	-	9,198	230,006	163,256	
	<u>\$ 12,425,034</u>	<u>\$ 301,010</u>	<u>\$ -</u>	<u>\$ 12,726,044</u>	<u>\$ 6,193,804</u>	<u>\$ -</u>	<u>\$ 351,465</u>	<u>\$ 6,545,269</u>	<u>\$ 6,180,775</u>	
Water Capital										
Land	\$ 9,838	\$ -	\$ -	\$ 9,838	\$ -	\$ -	\$ -	\$ -	\$ 9,838	
Hydrants	30,252	-	-	30,252	10,621	-	908	11,529	18,723	
Structures and improvements										
Reservoir	597,343	-	-	597,343	152,983	-	10,867	163,850	433,493	
Pumping	95,010	-	-	95,010	61,573	-	1,264	62,837	32,173	
Wells	59,527	-	-	59,527	14,036	-	792	14,828	44,699	
Equipment - pumping	48,729	-	-	48,729	27,275	-	1,584	28,859	19,870	
Vehicles	36,320	-	-	36,320	14,528	-	7,264	21,792	14,528	
Mains										
Transmission	1,015,380	57,986	-	1,073,366	225,684	-	13,504	239,188	834,178	
Distribution	1,350,921	-	-	1,350,921	569,176	-	17,945	587,121	763,800	
Equipment	-	-	-	-	-	-	-	-	-	
Service	126,809	-	-	126,809	63,289	-	2,536	65,825	60,984	
Meters	41,650	-	-	41,650	41,086	-	(254)	40,832	818	
Water Study	-	30,764	-	30,764	-	-	-	-	30,764	
	<u>\$ 3,411,779</u>	<u>\$ 88,750</u>	<u>\$ -</u>	<u>\$ 3,500,529</u>	<u>\$ 1,180,251</u>	<u>\$ -</u>	<u>\$ 56,410</u>	<u>\$ 1,236,661</u>	<u>\$ 2,263,868</u>	
	<u>\$ 15,836,813</u>	<u>\$ 389,760</u>	<u>\$ -</u>	<u>\$ 16,226,573</u>	<u>\$ 7,374,055</u>	<u>\$ -</u>	<u>\$ 407,875</u>	<u>\$ 7,781,930</u>	<u>\$ 8,444,643</u>	

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

6. LONG-TERM DEBT	<u>2024</u>	<u>2023</u>
Canadian Housing Mortgage Corporation debenture, bearing interest at a rate of 4.15% with annual repayments of \$14,542; maturing in May 2025.	\$ 27,369	\$ 40,241
Canadian Housing Mortgage Corporation debenture, bearing interest at a rate of 4.15% with annual repayments of \$8,180; maturing in May 2025.	15,394	22,635
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.205% - 2.561%, with annual principal payments of \$25,000; maturing in 2029.	<u>150,000</u>	<u>175,000</u>
	<u>\$ 192,763</u>	<u>\$ 237,876</u>

Principal repayments required during the next five years are as follows:

2025	\$ 45,947
2026	46,816
2027	25,000
2028	25,000
2029	25,000

7. CONTRIBUTION TO NON-CONSOLIDATED BOARDS AND COMMISSIONS

The Town of Annapolis Royal is required to finance the operations of various Boards and Regional Authorities, along with the other Municipalities in the Annapolis Valley, to the extent of its participation based on assessment or population formula.

In addition to any budgeted contributions, the Municipal units share in the deficits or surpluses of these organizations based on their relevant cost-sharing percentages. A Municipal unit's share of the deficit is to be paid in the next fiscal year while a surplus is to be taken into operations in the estimates of the organization in the next fiscal year.

Annapolis Valley Regional School Board

During 2023-24, the Town paid \$153,876 (2023 - \$146,148) as its share for the Annapolis Valley Regional School Board services.

Annapolis Valley Regional Library, 0.086% interest

During 2023-24, the Town paid \$22,730 (2023 - \$41,111) toward the operation of the Annapolis Valley Regional Library.

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

7. CONTRIBUTION TO NON-CONSOLIDATED BOARDS AND COMMISSIONS (continued)

Annapolis Royal Housing Authority, 12.5% interest

During 2023-24, the Town paid \$12,958 (2023 - \$10,254) to the Annapolis Royal Housing Authority to fund its share of the deficit for the year.

Valley Waste Resource Management Authority

During 2023-24 the Town paid \$89,448 (2023 - \$80,158) toward the operation of the Valley Waste Resource Management Authority to fund its share of the operations and capital asset purchases.

8. RATE OF RETURN ON RATE BASE

For the year ended March 31, 2024 the Town water utility has a rate of return on rate base of -0.68%; (2023 0.44%).

9. DISCLOSURE OF REMUNERATION

<u>Council</u>	<u>Salary</u>	<u>Expenses</u>	<u>Total</u>
Boyer, Amery (Mayor)	\$ 12,414	\$ 1,338	\$ 13,752
Tompkins, Michael (Deputy Mayor)	7,760	122	7,882
Hafting, Paula	5,991	-	5,991
Wear, Paul	4,927	70	4,997
Sanford, Holly	5,991	-	5,991
	<u>\$ 37,083</u>	<u>\$ 1,530</u>	<u>\$ 38,613</u>
Millett-Campbell, Sandi CAO	<u>\$ 85,467</u>	<u>\$ 5,684</u>	<u>\$ 91,151</u>

10. DEFERRED REVENUE

	<u>2024</u>	<u>2023</u>
Tax and user charges	\$ 24,929	\$ 29,787
Gas tax	554,587	467,095
Enabling accessibility fund	81,656	-
Sustainable service growth fund	124,627	249,254
Other	11,190	27,850
	<u>\$ 796,989</u>	<u>\$ 773,986</u>

Gas Tax represents funds received from the Federal Government that have not yet been used to fund eligible projects under the terms of the Gas Tax Agreement. These funds remain in deferred revenue until the stipulations for their use have been met.

11. PENSION PLANS

The Town has a defined contribution pension plan. The Town's contribution to the employees defined contribution pensions for the year ending March 31, 2024 was \$30,869 (2023 - \$34,546).

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2024

12. COMMITMENTS

In accordance with the terms of the agreement for the acceptance of funds received, the Town has agreed to pay 12.5% of the net operating costs of the Annapolis Royal Housing Authority for a fifty-year period ending 2028.

The Town has signed a lease for the use of land (parking lot). The lease requires annual payments of \$1,200 plus taxes and expires when terminated by either party with 60 days notice.

13. CONTINGENCIES

The Town has issued a guarantee of several long term debentures taken by the Valley Waste Resource Management Authority (VWRMA). As at March 31, 2024, the Town's total obligation should the Valley Waste Resource Management Authority not pay the debenture loans amounts to \$15,421. (2023 - \$18,415).

14. COMPARATIVE FIGURES

In some instances, the comparative prior year figures have been reclassified to conform to the current year's financial statement presentation. The changes do not affect prior year earnings.

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MODULE OF OPERATIONS BY FUNCTION

Gov't	Protective Services	Transportation Services	Env. Health Services	Recreation & Cultural Services	Marketing & Economic development Services	Fiscal Services	Planning Services	Water Utility	2024
421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,438,421
581			64,757	52,381			10,142		493,581
									127,280
344	76,417	40,337	29,642		82,766	50,468		12,512	569,986
	100,000	91,956							191,956
		4,825	165,944						170,769
								270,582	270,582
346	\$ 176,417	\$ 137,118	\$ 260,343	\$ 52,381	\$ 82,766	\$ 50,468	\$ 10,142	\$ 283,094	\$ 3,262,575
461	\$ 356,579	\$ 96,635	\$ 92,289	\$ 62,302	\$ 10,677	\$ -	\$ 36,250	\$ -	\$ 886,193
468	205,177	146,332	201,300	46,909	203,827	1,397	29,023		1,176,433
533	23,392	86,923	90,417	97,262				64,862	399,489
						2,928			2,928
								328,416	328,416
562	585,148	329,890	384,006	206,473	214,504	4,325	65,273	393,278	2,793,459
284	\$ (408,731)	\$ (192,772)	\$ (123,663)	\$ (154,092)	\$ (131,738)	\$ 46,143	\$ (55,131)	(110,184)	\$ 469,116

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GENERAL OPERATING FUND

AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 402,434	\$ 711,505
Taxes receivable (net of valuation allowance)	42,031	24,059
Other receivables	136,355	204,859
Harmonized sales tax	30,776	98,379
Due from		
Water Operating fund	27,929	12,393
Water Capital fund	-	11,582
Gas Tax reserve fund	-	-
	<u>639,525</u>	<u>1,062,777</u>
OTHER ASSETS		
Prepaid expenses	78,046	8,436
Inventory	2,350	2,053
	<u>80,396</u>	<u>10,489</u>
	<u>\$ 719,921</u>	<u>\$ 1,073,266</u>
LIABILITIES		
Payables	\$ 140,725	\$ 176,342
Deferred revenue	36,119	57,636
Due to		
General Operating reserve fund	248,171	295,128
General Capital fund	-	249,254
	<u>425,015</u>	<u>778,360</u>
OTHER LIABILITIES		
Reserve, Annapolis Royal Housing Fund	39,349	39,349
	<u>464,364</u>	<u>817,709</u>
SURPLUS	<u>255,557</u>	<u>255,557</u>
	<u>\$ 719,921</u>	<u>\$ 1,073,266</u>

On behalf of the Town



Mayor



Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF OPERATIONS OF THE GENERAL OPERATING FUND

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget (unaudited)	Actual	Actual
REVENUE			
Taxes (page 20)	\$ 1,437,394	\$ 1,438,421	\$ 1,268,162
Grants in lieu of taxes (page 20)	448,620	493,581	450,376
Unconditional transfers from other governments (page 20)	191,956	191,956	191,956
Sale of services (page 20)	90,237	127,280	111,377
Other revenue from own sources (page 21)	366,283	432,466	556,457
	<u>2,534,490</u>	<u>2,683,704</u>	<u>2,578,328</u>
EXPENSES			
General government services (page 22)	432,517	416,239	640,440
Protective services (page 22)	686,176	664,552	634,872
Transportation services (page 23)	276,301	242,967	445,955
Environmental health services (page 23)	354,665	280,631	211,663
Recreational services (page 23)	89,956	91,007	87,997
Cultural services (page 23)	19,768	24,230	42,260
Marketing services (page 24)	142,233	107,883	111,788
Economic development services (page 24)	98,805	104,572	105,582
Planning services (page 24)	63,702	65,273	63,485
Fiscal services (page 24)	194,008	182,307	172,552
	<u>2,358,131</u>	<u>2,179,661</u>	<u>2,516,594</u>
NET REVENUE	<u>176,359</u>	<u>504,043</u>	<u>61,734</u>
FINANCING AND TRANSFERS			
Long Term Debt Principal repaid	(37,359)	(37,872)	(37,359)
Reserve for uncollected taxes	-	-	-
Net transfers (to) from			
Capital fund	(198,000)	(198,000)	(228,000)
Operating reserve fund	79,000	-	298,000
General capital reserve transfer	(20,000)	(20,000)	-
Operating reserve fund (2021/2022 surplus)	-	-	(200,755)
Operating reserve fund (2022/2023 surplus)	-	-	(94,373)
Operating reserve fund (2023/2024 surplus)	-	(248,171)	-
	<u>(176,359)</u>	<u>(504,043)</u>	<u>(262,487)</u>
CHANGE IN FUND BALANCE	-	-	(200,753)
SURPLUS AT BEGINNING OF YEAR		<u>255,557</u>	<u>456,310</u>
SURPLUS AT END OF YEAR		<u>\$ 255,557</u>	<u>\$ 255,557</u>

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED SCHEDULE OF GENERAL OPERATING FUND REVENUES

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget (unaudited)	Actual	Actual
Taxes			
Assessable Property			
Residential	\$ 1,022,606	\$ 1,016,080	\$ 883,648
Commercial property	385,298	384,273	356,411
Area assessment			
Environmental health service	25,490	27,372	24,155
Business property			
Nova Scotia Power Inc. (HST Rebate)	4,000	10,696	3,948
Total taxes	<u>\$ 1,437,394</u>	<u>\$ 1,438,421</u>	<u>\$ 1,268,162</u>
Grants in lieu of taxes			
Federal government	\$ 34,436	\$ 39,142	\$ 36,353
Provincial government	22,474	22,842	22,471
Nova Scotia Power Inc.	387,153	427,040	387,153
Maritime Telegraph and Telephone	4,557	4,557	4,399
Total Grants in lieu of taxes	<u>\$ 448,620</u>	<u>\$ 493,581</u>	<u>\$ 450,376</u>
Unconditional transfers from other governments			
Department of Justice	\$ 100,000	\$ 100,000	\$ 100,000
Provincial funding for roads	91,956	91,956	91,956
Total unconditional transfers from other governments	<u>\$ 191,956</u>	<u>\$ 191,956</u>	<u>\$ 191,956</u>
Sales of services			
Planning services	\$ 9,000	\$ 10,142	\$ 12,170
Sewage treatment charges	33,137	64,757	41,823
Recreation	48,100	52,381	57,384
Total sales of services	<u>\$ 90,237</u>	<u>\$ 127,280</u>	<u>\$ 111,377</u>

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED SCHEDULE OF GENERAL OPERATING FUND REVENUES (CONTINUED)

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget (unaudited)	Actual	Actual
Other revenue from own sources			
Hall / Office rentals	\$ 49,685	\$ 50,170	\$ 49,450
Wharf rental	5,500	5,220	28,440
Interest on investments	9,000	39,292	19,693
Licenses and permits	4,000	3,109	3,504
Miscellaneous	2,500	6,252	5,701
Pixie dust	10,000	12,600	12,698
Valley Waste	15,000	15,393	5,888
Fines and police checks	69,000	76,417	24,679
Penalties and interest on taxes	8,000	11,176	7,871
Marketing	120,098	112,408	199,128
Deed transfer tax	70,000	97,758	159,603
PST refunds	3,500	2,671	2,908
COVID Renovations	-	-	24,887
Parks' Canada, National cost-sharing program for Heritages places	-	-	12,007
Total other revenue from own sources	\$ 366,283	\$ 432,466	\$ 556,457
TOTAL REVENUE	\$ 2,534,490	\$ 2,683,704	\$ 2,578,328

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED SCHEDULE OF GENERAL OPERATING FUND EXPENDITURES

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget (unaudited)	Actual	Actual
General government services			
Legislative			
Mayor and Council	\$ 54,731	\$ 46,955	\$ 45,033
General administrative			
Administrative	229,461	229,467	239,057
Atlantic Infrastructure Management Network	-	-	57,879
Financial management	32,424	32,455	30,826
Common services	31,537	18,748	196,152
Professional fees	60,700	64,890	50,026
Other general administrative services	23,664	23,724	21,467
Total general government services	\$ 432,517	\$ 416,239	\$ 640,440
Protective services			
Fire protection			
Fire fighters	\$ 57,081	\$ 56,710	\$ 53,000
Water supply and hydrants	110,130	110,130	110,130
Fire department capital grant	-	-	20,000
	<u>167,211</u>	<u>166,840</u>	<u>183,130</u>
Police protection			
Police salaries and benefits	397,243	389,408	352,839
Police automotive equipment	19,787	18,713	17,445
Radio and telephone	11,716	10,350	10,366
Police other expenses	58,263	47,669	44,435
	<u>487,009</u>	<u>466,140</u>	<u>425,085</u>
Emergency measures	<u>6,561</u>	<u>6,235</u>	<u>4,736</u>
Other			
Trees commission	13,000	16,136	11,412
Gardening	10,395	8,198	8,639
Animal control	2,000	1,003	1,870
	<u>25,395</u>	<u>25,337</u>	<u>21,921</u>
Total protective services	\$ 686,176	\$ 664,552	\$ 634,872

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED SCHEDULE OF GENERAL OPERATING FUND EXPENDITURES (CONTINUED)

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget (unaudited)	Actual	Actual
Transportation services			
Road transport			
Roads and streets	\$ 84,350	\$ 80,140	\$ 288,660
Kings Transit services	5,000	5,000	5,000
Street lighting	9,500	9,687	8,339
Public Works			
Administrative	118,374	96,635	100,284
Equipment	35,751	33,450	27,894
Farmers' market maintenance	1,000	29	50
Workshop	22,326	18,026	15,728
Total transportation services	\$ 276,301	\$ 242,967	\$ 445,955
Environmental health services			
Administrative	\$ 110,166	\$ 92,289	\$ 96,894
Central treatment plant operations	155,971	98,894	34,611
Garbage, waste and recycling	88,528	89,448	80,158
Total environmental health services	\$ 354,665	\$ 280,631	\$ 211,663
Recreational services			
Facility maintenance and repairs	\$ 8,200	\$ 12,066	\$ 13,515
Friends of the pool society	8,000	8,000	6,500
Programs and activities	4,350	1,456	1,230
Conferences and travel	1,300	1,344	647
Insurance	2,723	3,839	2,269
Wages and benefits	62,443	62,471	61,133
Telephone	1,170	417	1,157
Office supplies / equipment	1,770	1,414	1,546
Total recreational services	\$ 89,956	\$ 91,007	\$ 87,997
Cultural services			
Farmers' market	\$ 880	\$ 999	\$ 650
Town crier	500	501	499
Library	18,388	22,730	41,111
Total cultural services	\$ 19,768	\$ 24,230	\$ 42,260

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED SCHEDULE OF GENERAL OPERATING FUND EXPENDITURES (CONTINUED)

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget (unaudited)	Actual	Actual
Marketing services			
Advertising and website	\$ 4,850	\$ 2,936	\$ 4,060
Wages and benefits	21,708	10,677	17,949
General expenses	42,000	23,384	9,440
Post COVID stimulus grant	60,000	60,000	73,217
Promotional	4,975	2,110	3,045
Twinning	3,700	4,708	500
Natal Day	5,000	4,068	3,577
Total marketing services	\$ 142,233	\$ 107,883	\$ 111,788
Economic development services			
Pixie Dust	\$ 10,000	\$ 12,893	\$ 12,860
Economic Development	43,675	51,695	2,000
Annapolis Royal Wharf	6,600	6,880	32,164
Local and Area Economic Development (ARRA)	14,330	18,204	41,675
Bus Garage expense	24,200	14,900	16,883
Total economic development services	\$ 98,805	\$ 104,572	\$ 105,582
Planning services			
Planning services	\$ 63,702	\$ 65,273	\$ 63,485
Total planning services	\$ 63,702	\$ 65,273	\$ 63,485
Fiscal services			
Debt charges			
Debenture interest	\$ 6,909	\$ 2,928	\$ 6,909
Bank service charges	850	1,397	796
Unconditional transfers to other governments and agencies			
Annapolis Royal Housing Authority	25,000	12,957	10,254
Conditional transfers to other governments and agencies			
Correctional services	11,249	11,149	8,445
Appropriation to Regional School Board	150,000	153,876	146,148
Total fiscal services	\$ 194,008	\$ 182,307	\$ 172,552
TOTAL EXPENSES	\$ 2,358,131	\$ 2,179,661	\$ 2,516,594

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GENERAL CAPITAL FUND

AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 410,374	\$ 270,769
Other receivables	-	20,000
HST receivable	14,641	30,764
Due from		
Gas tax reserve fund	-	-
General operating fund	-	249,254
	<u>425,015</u>	<u>570,787</u>
Capital assets, at cost (note 5)	12,977,459	12,726,044
Accumulated amortization (note 5)	<u>(6,812,781)</u>	<u>(6,545,269)</u>
	<u>6,164,678</u>	<u>6,180,775</u>
	<u>\$ 6,589,693</u>	<u>\$ 6,751,562</u>
LIABILITIES		
Accounts payable	\$ 166,219	\$ 275,461
Deferred revenue	124,627	249,254
Long Term Debt		
Canada Mortgage and Housing Corporation (note 6)	27,369	40,241
Municipal Finance Debenture (note 6)	<u>150,000</u>	<u>175,000</u>
	<u>468,215</u>	<u>739,956</u>
FUND BALANCE	<u>6,121,478</u>	<u>6,011,606</u>
	<u>\$ 6,589,693</u>	<u>\$ 6,751,562</u>

On behalf of the Town



Mayor



Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE GENERAL CAPITAL FUND

YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUE		
Lift station grant	\$ 20,000	\$ 20,000
Community generator grant	-	41,520
PCAP Funding	-	-
Accessibility funding	4,825	-
Gain on disposal of tangible capital assets	19,621	-
Sustainable Growth Inc. Funding	124,627	-
County of Annapolis Funding	21,317	-
Interest	18,236	7,445
	<u>208,626</u>	<u>68,965</u>
EXPENDITURES		
Amortization	<u>334,626</u>	<u>351,465</u>
NET REVENUE (EXPENDITURES)	<u>(126,000)</u>	<u>(282,500)</u>
FINANCING AND TRANSFERS		
Debt retired, long term	<u>37,872</u>	<u>37,359</u>
Transfers from own reserves, funds and agencies		
Transfer from general operating	198,000	228,000
Transfer from gas tax reserve	-	-
Transfer (to) from reserve fund	-	-
Total net transfers	<u>198,000</u>	<u>228,000</u>
Total financing and transfers	<u>235,872</u>	<u>265,359</u>
CHANGE IN FUND BALANCE	<u>109,872</u>	<u>(17,141)</u>
SURPLUS AT BEGINNING OF YEAR	<u>6,011,606</u>	<u>6,028,747</u>
SURPLUS AT END OF YEAR	<u>\$ 6,121,478</u>	<u>\$ 6,011,606</u>

TOWN OF ANNAPOLIS ROYAL


NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE WATER UTILITY OPERATING FUND

AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 151,474	\$ 129,519
Rates receivable, net of asset valuation of \$2,500 (2023 - \$2,500)	60,465	53,073
Interest receivables	-	2,867
Other receivables	1,630	2,781
Inventory, at cost	36,558	26,703
	<u>\$ 250,127</u>	<u>\$ 214,943</u>
LIABILITIES		
Payables	\$ 44,165	\$ 45,675
Due to		
General operating fund	27,929	12,393
Water capital fund	64,863	36,410
	<u>136,957</u>	<u>94,478</u>
ACCUMULATED SURPLUS	<u>113,170</u>	<u>120,465</u>
	<u>\$ 250,127</u>	<u>\$ 214,943</u>

On behalf of the Town


 _____ Mayor


 _____ Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE WATER UTILITY OPERATING FUND

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget (unaudited)	Actual	Actual
OPERATING REVENUE			
Metered sales	\$ 264,000	\$ 268,982	\$ 257,830
Public fire protection	110,130	110,130	110,130
Other operational revenue	3,200	3,054	3,164
Total operating revenue	<u>377,330</u>	<u>382,166</u>	<u>371,124</u>
OPERATING EXPENDITURES			
Source of supply (page 29)	105,000	97,464	107,324
Power and pumping (page 29)	2,795	2,484	2,589
Water testing and treatment	14,433	15,899	10,896
Transmission and distribution (page 29)	89,723	97,246	74,156
Administration and general (page 29)	124,125	112,352	109,219
Depreciation	56,400	64,863	56,410
Professional services	3,629	3,358	3,361
Total operating expenditures	<u>396,105</u>	<u>393,666</u>	<u>363,955</u>
NET OPERATING REVENUE (EXPENDITURE)	<u>(18,775)</u>	<u>(11,500)</u>	<u>7,169</u>
Non-operating revenue			
Interest	5,000	8,558	6,954
Other	1,000	2,501	1,170
	<u>6,000</u>	<u>11,059</u>	<u>8,124</u>
Non-operating expenditures			
Debt charges			
Principal	7,240	7,240	6,952
Interest	939	(386)	1,228
Transfer to Water Capital reserve fund	-	-	-
	<u>8,179</u>	<u>6,854</u>	<u>8,180</u>
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE)	<u>(20,954)</u>	<u>(7,295)</u>	<u>7,113</u>
SURPLUS AT BEGINNING OF YEAR		<u>120,465</u>	<u>113,352</u>
SURPLUS AT END OF YEAR		<u>\$ 113,170</u>	<u>\$ 120,465</u>

TOWN OF ANNAPOLIS ROYAL

SCHEDULE TO NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE WATER UTILITY OPERATING FUND

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget (unaudited)	Actual	Actual
SOURCE OF SUPPLY			
Cost of sharing Municipal water supply	\$ 105,000	\$ 97,464	\$ 107,324
	<u>\$ 105,000</u>	<u>\$ 97,464</u>	<u>\$ 107,324</u>
POWER AND PUMPING			
Power	\$ 2,295	\$ 2,296	\$ 2,154
Pumping	500	188	435
	<u>\$ 2,795</u>	<u>\$ 2,484</u>	<u>\$ 2,589</u>
TRANSMISSION AND DISTRIBUTION			
Salaries and wages	\$ 56,984	\$ 59,587	\$ 51,078
Maintenance	24,627	31,604	17,042
Transportation expenses	8,112	6,055	6,036
	<u>\$ 89,723</u>	<u>\$ 97,246</u>	<u>\$ 74,156</u>
ADMINISTRATION AND GENERAL			
Salaries and benefits	\$ 87,467	\$ 85,755	\$ 81,743
General and office expenses	18,877	15,225	14,526
Regulatory expenses	800	845	1,615
Building expenses	16,981	10,527	11,335
	<u>\$ 124,125</u>	<u>\$ 112,352</u>	<u>\$ 109,219</u>

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE WATER UTILITY CAPITAL FUND


AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 55,041	\$ 69,479
Depreciation Fund Water Utility (note 4)	620,175	524,947
Interest receivable	-	12,059
HST receivable	4,255	9,117
Due from		
Water operating fund	64,863	36,410
	<u>744,334</u>	<u>652,012</u>
Capital assets (note 5)	3,591,301	3,500,529
Accumulated allowance for depreciation (note 5)	(1,301,524)	(1,236,661)
	<u>2,289,777</u>	<u>2,263,868</u>
	<u>\$ 3,034,111</u>	<u>\$ 2,915,880</u>
LIABILITIES		
Due to		
General operating fund	\$ -	\$ 11,582
Long-term debt (note 6)	15,394	22,635
Deferred government assistance	610,167	620,895
	<u>625,561</u>	<u>655,112</u>
INVESTMENT IN CAPITAL ASSETS	<u>2,408,550</u>	<u>2,260,768</u>
	<u>\$ 3,034,111</u>	<u>\$ 2,915,880</u>

On behalf of the Town

Mayor

Chief Administrative Officer



 Sandi Millett Campbell

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE WATER UTILITY CAPITAL FUND

YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUE		
Interest	\$ 29,813	\$ 16,931
PCAP funding	-	15,382
Amortization of deferred assistance	<u>10,728</u>	<u>10,728</u>
	<u>40,541</u>	<u>43,041</u>
EXPENDITURES		
Capital purchases	<u>-</u>	<u>-</u>
	-	-
NET REVENUE	<u>40,541</u>	<u>43,041</u>
FINANCING AND TRANSFERS		
Repayment of debt	7,241	6,952
Transfer from water utility capital reserve	<u>100,000</u>	<u>-</u>
Total financing and transfers	<u>107,241</u>	<u>6,952</u>
CHANGE IN FUND BALANCE	147,782	49,993
SURPLUS AT BEGINNING OF YEAR	<u>2,260,768</u>	<u>2,210,775</u>
SURPLUS AT END OF YEAR	<u><u>\$ 2,408,550</u></u>	<u><u>\$ 2,260,768</u></u>

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GENERAL CAPITAL RESERVE FUND

AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 507,449	\$ 375,588
Interest receivable	-	7,968
Due from Water Utility Capital Reserve Fund	498	498
	<u>\$ 507,947</u>	<u>\$ 384,054</u>
LIABILITIES		
Due to Water Utility Capital Reserve Fund	\$ -	\$ -
Deferred revenue	81,656	-
RESERVE	426,291	384,054
	<u>\$ 507,947</u>	<u>\$ 384,054</u>

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE GENERAL CAPITAL RESERVE FUND

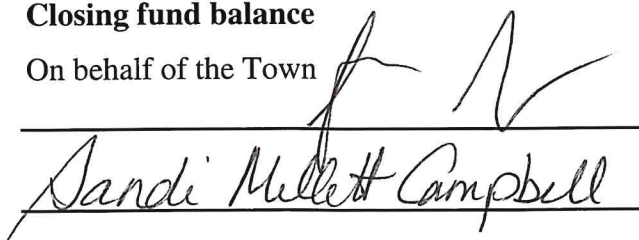
YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUE		
Interest income	\$ 18,261	\$ 11,036
Grant Potter Park Funds	3,976	-
Proceeds on sale of assets	-	-
	<u>22,237</u>	<u>11,036</u>
EXPENDITURES		
Wharf handover funds	-	25,000
	<u>22,237</u>	<u>(13,964)</u>
NET REVENUE (EXPENDITURE)	<u>22,237</u>	<u>(13,964)</u>
FINANCING AND TRANSFERS		
Transfer from (to) general operating	20,000	-
Change in fund balance	42,237	(13,964)
Opening fund balance	384,054	398,018
Closing fund balance	<u>\$ 426,291</u>	<u>\$ 384,054</u>

On behalf of the Town

Mayor

Chief Administrative Officer


Sandi Mullett Campbell

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE WATER UTILITY CAPITAL RESERVE FUND

AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 128,843	\$ 217,191
Interest receivable	-	2,656
Due from general capital reserve fund	-	-
	<u>\$ 128,843</u>	<u>\$ 219,847</u>
LIABILITIES		
Due to general capital reserve fund	\$ 498	\$ 498
RESERVE	<u>128,345</u>	<u>219,349</u>
	<u>\$ 128,843</u>	<u>\$ 219,847</u>

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE WATER UTILITY CAPITAL RESERVE FUND

YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUE		
Interest income	\$ 8,996	\$ 6,079
EXPENDITURES	<u>-</u>	<u>-</u>
NET REVENUE (EXPENDITURE)	<u>8,996</u>	<u>6,079</u>
FINANCING AND TRANSFERS		
Transfer from (to) water capital	<u>(100,000)</u>	<u>-</u>
	<u>(100,000)</u>	<u>-</u>
Change in fund balance	<u>(91,004)</u>	<u>6,079</u>
Opening fund balance	<u>219,349</u>	<u>213,270</u>
Closing fund balance	<u>\$ 128,345</u>	<u>\$ 219,349</u>

On behalf of the Town


Mayor


Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GENERAL OPERATING RESERVE FUND

AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 682,084	\$ 350,187
Interest receivable	-	7,968
Due from general operating fund	<u>248,171</u>	<u>295,128</u>
	<u>\$ 930,255</u>	<u>\$ 653,283</u>
RESERVE	<u>\$ 930,255</u>	<u>\$ 653,283</u>

TOWN OF ANNAPOLIS ROYAL


NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE GENERAL OPERATING RESERVE FUND

YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUE		
Interest income	<u>\$ 28,801</u>	<u>\$ 12,495</u>
EXPENDITURES	<u>-</u>	<u>-</u>
NET REVENUE (EXPENDITURE)	<u>28,801</u>	<u>12,495</u>
FINANCING AND TRANSFERS		
Transfer from general operating 2021/2022 surplus	-	200,755
Transfer from general operating 2022/2023 surplus	-	94,373
Transfer from general operating 2023/2024 surplus	<u>248,171</u>	-
Transfer to general operating	<u>-</u>	<u>(298,000)</u>
	<u>248,171</u>	<u>(2,872)</u>
Change in fund balance	<u>276,972</u>	<u>9,623</u>
Opening fund balance	<u>653,283</u>	<u>643,660</u>
Closing fund balance	<u>\$ 930,255</u>	<u>\$ 653,283</u>

On behalf of the Town

Mayor



Sandi Hillett Campbell

Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GAS TAX RESERVE FUND

AS AT MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 555,866	\$ 461,361
Interest receivable	-	5,734
	<u>\$ 555,866</u>	<u>\$ 467,095</u>
LIABILITIES		
Due to		
General operating fund	\$ -	\$ -
General capital fund	-	-
	<u>-</u>	<u>-</u>
RESERVE	<u>555,866</u>	<u>467,095</u>
	<u>\$ 555,866</u>	<u>\$ 467,095</u>

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE GAS TAX RESERVE FUND

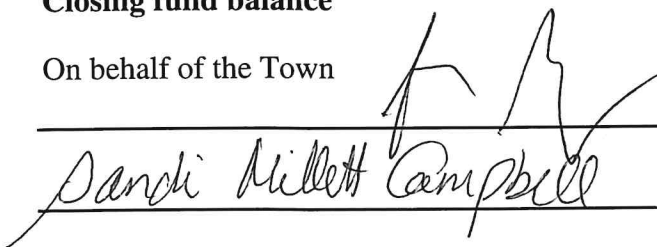
YEAR ENDED MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUE		
Interest income	\$ 22,774	\$ 12,543
Gas tax funds received	<u>65,997</u>	<u>59,532</u>
	<u>88,771</u>	<u>72,075</u>
EXPENDITURES	<u>-</u>	<u>-</u>
NET REVENUE (EXPENDITURE)	<u>88,771</u>	<u>72,075</u>
FINANCING AND TRANSFERS		
Transfer to general capital fund	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Change in fund balance	<u>88,771</u>	<u>72,075</u>
Opening fund balance	<u>467,095</u>	<u>395,020</u>
Closing fund balance	<u>\$ 555,866</u>	<u>\$ 467,095</u>

On behalf of the Town

Mayor

Chief Administrative Officer



Sarah Millett Campbell