TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

KENT & DUFFETT
Chartered Professional Accountants

TOWN OF ANNAPOLIS ROYAL

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CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2025

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.

Sandi Millett Campbell

Mayor

Chief Administrative Officer

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INDEPENDENT AUDITOR'S REPORT

Mayor and Members of Council
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, 2025, consolidated statement of operations, consolidated change in net assets and consolidated statement of cash flows 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 present fairly, in all material respects, the financial position of the Town as at March 31, 2025, and the results of its operations, its changes in net financial assets (debt), 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 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 19 to 36 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.

Kent & Duffett

Kentville, Nova Scotia
September 17, 2025

Chartered Professional Accountants
Registered Municipal Auditor

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
REVENUES			
Assessable property taxes	$ 1,595,513	$ 1,594,386	$ 1,438,421
Grants in lieu of taxes	497,784	498,232	493,581
Sales of services	116,600	175,528	127,280
Other revenue from own sources	514,269	678,700	569,986
Unconditional transfers from other governments	191,956	191,956	191,956
Conditional transfers from federal or provincial governments or agencies	-	268,627	170,769
Water rates	275,100	273,124	270,582
	3,191,222	3,680,553	3,262,575
EXPENDITURES			
General government services	497,485	454,874	420,053
Protective services	746,535	626,307	561,756
Transportation services	808,286	805,605	242,967
Environmental health services	350,923	293,180	293,589
Recreation and cultural services	113,395	110,916	109,211
Marketing and economic development	165,329	205,062	214,504
Fiscal services	9,779	5,547	4,325
Planning	81,823	58,337	65,273
Mandatory education contributions	158,000	172,176	153,876
Amortization	64,863	417,041	399,489
Water treatment and distribution	363,003	377,730	328,416
	3,359,421	3,526,775	2,793,459
ANNUAL SURPLUS (DEFICIT)	$ (168,199)	153,778	469,116
ACCUMULATED SURPLUS AT BEGINNING OF YEAR		11,034,440	10,565,324
ACCUMULATED SURPLUS AT END OF YEAR		$ 11,188,218	$ 11,034,440

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash	**$ 3,584,297**	$ 3,513,740
Accounts receivable (net of allowance) (note 3)	**385,938**	290,154
	3,970,235	3,803,894
LIABILITIES		
Accounts payable and accrued liabilities	**409,360**	351,111
Deferred revenue (note 11)	**749,599**	796,989
Long-term debt (note 7)	**146,816**	192,763
	1,305,775	1,340,863
NET ASSETS (page 6)	**2,664,460**	2,463,031
NON-FINANCIAL ASSETS		
Inventory	**34,894**	38,908
Tangible capital assets (note 6)	**8,486,857**	8,454,455
Prepaid expenses	**2,007**	78,046
	8,523,758	8,571,409
ACCUMULATED SURPLUS	**$ 11,188,218**	$ 11,034,440

Commitments (note 13)

On behalf of the Town

____________________ Mayor

Sandi Millett Campbell Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS

YEAR ENDED MARCH 31, 2025

	Budget (unaudited)	2025	2024
ANNUAL SURPLUS (page 4)	$ (168,199)	$ 153,778	$ 469,116
Acquisition of tangible capital assets and donated assets	-	(453,193)	(450,715)
Amortization of tangible capital assets	64,863	417,041	399,489
Loss (gain) on sale of tangible capital assets	-	(3,400)	(19,622)
Proceeds on sale of tangible capital assets	-	7,150	61,036
	(103,336)	121,376	459,304
Change in inventory and prepaid expenses	-	80,053	(79,761)
Increase (decrease) in net assets	(103,336)	201,429	379,543
NET ASSETS AT BEGINNING OF YEAR		2,463,031	2,083,488
NET ASSETS AT END OF YEAR		$ 2,664,460	$ 2,463,031

TOWN OF ANNAPOLIS ROYAL

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2025

	2025	2024
OPERATING TRANSACTIONS		
Annual surplus	**$ 153,778**	$ 469,116
Net change in non-cash working capital balances		
Amortization	**417,041**	399,489
Loss (gain) on disposal of assets	**(3,400)**	(19,622)
	567,419	848,983
Net change in working capital balances		
Decrease (increase) in accounts receivable	**(95,784)**	192,131
Increase (decrease) in accounts payable and accrued liabilities	**58,249**	(146,369)
Increase (decrease) in deferred revenue	**(47,390)**	23,003
Increase (decrease) in inventory	**4,014**	(10,151)
Decrease (increase) in prepaid expenses	**76,039**	(69,610)
	562,547	837,987
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets and donated assets	**(453,193)**	(450,715)
Proceeds on sale of tangible capital assets	**7,150**	61,036
	(446,043)	(389,679)
FINANCING TRANSACTIONS		
Repayment of long-term debt	**(45,947)**	(45,113)
	(45,947)	(45,113)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**70,557**	403,195
Cash and cash equivalents at beginning of year	**3,513,740**	3,110,545
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 3,584,297**	$ 3,513,740

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

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, 2025

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:

Town Capital	Years	Water Utility	Years
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 system	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, 2025

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 2025 $110,130 (2024 - $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 had agreed to pay 12.5% of the net operating costs of the Annapolis Royal Housing Authority for a fifty-year period ending 2028. However in fiscal 2024 the Province of Nova Scotia agreed to fund 100% of the operations of the Housing Authority and this cost will no longer be incurred by the Town.

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.

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

o) Asset retirement obligation

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

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

The recognition of a liability, or change in liability valuation results in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized with the depreciation accounting policies outlined in 1 (d).

2. CHANGE IN ACCOUNTING POLICIES

On April 1, 2023, the Town adopted the new Public Sector Accounting Standards Section PS 3400 Revenue. New Section 3400 Revenue establishes standards on how to account for and report on revenue. It does not apply to revenues for which specific standards already exist, such as government transfers or restricted revenues. The Section distinguishes between revenue that arises from transactions that include performance obligations (i.e exchange transactions) and transactions that do not have performance obligations (i.e. non-exchange transactions). Revenue from transactions with performance obligations will be recognized when (or as) the performance obligation is satisfied by providing the promised goods or services to the payor. Revenue from transactions with no performance obligation will be recognized when a public sector entity has the authority to claim or retain the revenue and identifies a past transaction or event that gives rise to an asset. In accordance with the provisions of this new standard, the Town has no adjustments.

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

3. ACCOUNTS RECEIVABLE

	Current Year	Prior Year	2025 Total	2024 Total
Tax receivable				
Balance at beginning of year	$ -	$ 42,031	$ 42,031	$ 24,059
Add:				
Current year's tax levy	1,545,150	-	1,545,150	1,400,352
	1,545,150	42,031	1,587,181	1,424,411
Deduct:				
Current year's tax collection	1,482,256	38,529	1,520,785	1,377,380
Write offs and allowances	-	-	-	-
Valuation allowance	5,000	-	5,000	5,000
Total tax receivable			$ 61,396	$ 42,031
HST receivable			96,673	51,013
Interest receivable			11,335	7,142
Due from province			-	-
Water Receivable (net of allowance $2,500)			66,638	60,465
Capital contribution receivable			-	-
Other			149,896	129,503
			$ 385,938	$ 290,154

4. VALUATION ALLOWANCES

	2025	2024
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	$ 5,000	$ 5,000

5. DEPRECIATION FUND (WATER UTILITY)

	2025	2024
Balance, beginning of year	$ 620,175	$ 524,947
Add (deduct):		
Interest earned	26,905	38,818
Prior year depreciation	64,863	56,410
Balance, end of year	$ 711,943	$ 620,175

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

6. TANGIBLE CAPITAL ASSETS

Town Capital	Cost 2024	Additions	Disposals	Cost 2025	Accumulated Amortization 2024	Adjustment	Amortization Expense	Accumulated Amortization 2025	Net Book Value
Land	$ 144,360	$ -	$ -	$ 144,360	$ -	$ -	$ -	$ -	$ 144,360
Buildings	3,262,516	107,938	-	3,370,454	1,732,206	-	69,701	1,801,907	1,568,547
Machinery & Equipment	675,465	51,176	22,441	704,200	337,662	22,441	21,703	336,924	367,276
General office equipment	212,857	4,714	-	217,571	143,254	-	17,513	160,767	56,804
Land improvements & trails	1,716,940	-	-	1,716,940	979,422	-	42,419	1,021,841	695,099
Police equipment	180,955	90,123	-	271,078	121,622	-	15,458	137,080	133,998
Street & parking lots	918,516	-	-	918,516	594,937	-	23,183	618,120	300,396
Sidewalks	988,076	-	-	988,076	781,671	-	40,220	821,891	166,185
Street lighting	35,269	-	-	35,269	28,261	-	581	28,842	6,427
Wharf	319,600	-	-	319,600	51,152	-	12,788	63,940	255,660
Sewer collection system	3,270,335	47,476	-	3,317,811	1,444,181	-	73,088	1,517,269	1,800,542
Storm water system	727,879	-	-	727,879	359,209	-	14,484	373,693	354,186
Sewage treatment plant	524,691	133,589	-	658,280	239,204	-	21,521	260,725	397,555
	$ 12,977,459	$ 435,016	$ 22,441	$ 13,390,034	$ 6,812,781	$ 22,441	$ 352,659	$ 7,142,999	$ 6,247,035
Water Capital									
Land	$ 9,838	$ -	$ -	$ 9,838	$ -	$ -	$ -	$ -	$ 9,838
Hydrants	30,252	-	-	30,252	12,437	-	908	13,345	16,907
Structures and improvements									
Reservoir	597,343	-	-	597,343	174,717	-	10,867	185,584	411,759
Pumping	95,010	-	-	95,010	64,101	-	1,264	65,365	29,645
Wells	59,527	-	-	59,527	15,620	-	791	16,411	43,116
Equipment - pumping	86,565	18,177	3,750	100,992	35,271	-	6,455	41,726	59,266
Vehicles	36,320	-	-	36,320	29,056	-	7,264	36,320	-
Mains							-		
Transmission	1,112,517	-	-	1,112,517	253,215	-	13,505	266,720	845,797
Distribution	1,350,921	-	-	1,350,921	605,066	-	17,945	623,011	727,910
Equipment							-		
Service	140,594	-	-	140,594	71,118	-	5,293	76,411	64,183
Meters	41,650	-	-	41,650	40,923	-	90	41,013	637
Water study	30,764	-	-	30,764	-	-	-	-	30,764
	$ 3,591,301	$ 18,177	$ 3,750	$ 3,605,728	$ 1,301,524	$ -	$ 64,382	$ 1,365,906	$ 2,239,822
	$ 16,568,760	$ 453,193	$ 26,191	$ 16,995,762	$ 8,114,305	$ 22,441	$ 417,041	$ 8,508,905	$ 8,486,857

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, 2025

6. TANGIBLE CAPITAL ASSETS (continued)

Town Capital	Cost 2023	Additions	Disposals	Cost 2024	Accumulated Amortization 2023	Adjustment	Amortization Expense	Accumulated Amortization 2024	Net Book 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
	$ 12,726,044	$ 359,943	$ 108,528	$ 12,977,459	$ 6,545,269	$ 67,113	$ 334,625	$ 6,812,781	$ 6,164,678
Water Capital									
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
	$ 3,500,529	$ 90,772	$ -	$ 3,591,301	$ 1,236,661	$ -	$ 64,863	$ 1,301,524	$ 2,289,777
	$ 16,226,573	$ 450,715	$ 108,528	$ 16,568,760	$ 7,781,930	$ 67,113	$ 399,488	$ 8,114,305	$ 8,454,455

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

7. **LONG-TERM DEBT**		**2025**		2024
Canadian Housing Mortgage Corporation debenture, bearing interest at a rate of 4.15% with annual repayments of $14,542; maturing in May 2025.	**$**	**13,962**	$	27,369
Canadian Housing Mortgage Corporation debenture, bearing interest at a rate of 4.15% with annual repayments of $8,180; maturing in May 2025.		**7,854**		15,394
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.		**125,000**		150,000
	$	**146,816**	$	192,763

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

2026	$	46,816
2027		25,000
2028		25,000
2029		25,000
2030		25,000

8. 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 Centre for Education

During 2024-25, the Town paid $172,176 (2024 - $153,876) as its share for the Annapolis Valley Regional Centre for Education

Annapolis Valley Regional Library, 0.086% interest

During 2024-25, the Town paid $24,698 (2024 - $22,730) toward the operation of the Annapolis Valley Regional Library.

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

Annapolis Royal Housing Authority, 12.5% interest

During 2024-25, the Town paid $Nil (2024 - $12,958) to the Annapolis Royal Housing Authority to fund its share of the deficit for the year.

Valley Waste Resource Management Authority

During 2024-25 the Town paid $89,638 (2024 - $89,448) toward the operation of the Valley Waste Resource Management Authority to fund its share of the operations and capital asset purchases.

9. RATE OF RETURN ON RATE BASE

For the year ended March 31, 2025 the Town water utility has a rate of return on rate base of -3.61%; (2024 -0.68%).

10. DISCLOSURE OF REMUNERATION

Council	Salary	Expenses	Total
Boyer, Amery (Mayor)	$ 12,898	$ 645	$ **13,543**
Tompkins, M. (Deputy Mayor)	4,805	57	**4,862**
Skinner-Robinson, S. (Deputy Mayor)	3,432	2,142	**5,574**
Hafting, P.	3,583	-	**3,583**
Wear, P.	3,583	-	**3,583**
Sanford, H.	3,583	-	**3,583**
Sadkowski, H.	2,560	452	**3,012**
Myers, L.	2,560	152	**2,712**
MacDonald, A.	2,560	268	**2,828**
	$ 39,564	$ 3,716	$ **43,280**
Millett-Campbell, S. CAO	$ 95,477	$ 7,749	$ **103,226**

11. DEFERRED REVENUE

	2025	2024
Tax and user charges	$ **33,875**	$ 24,929
Gas tax	**586,285**	554,587
Enabling accessibility fund	**81,656**	81,656
Sustainable service growth fund	-	124,627
Other	**47,783**	11,190
	$ **749,599**	$ 796,989

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.

TOWN OF ANNAPOLIS ROYAL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

12. 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, 2025 was $34,933 (2024 - $30,869).

13. COMMITMENTS

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.

14. 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, 2025, the Town's total obligation should the Valley Waste Resource Management Authority not pay the debenture loans amounts to $18,390. (2024 - $15,421).

15. 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.

16. CONSOLIDATED SCHEDULE OF OPERATIONS BY FUNCTION

	General Gov't	Protective Services	Transportation Services	Env. Health Services	Recreation & Cultural Services	Marketing & Economic development Services	Fiscal Services	Planning Services	Water Utility	2025
REVENUE										
TAXES	$ 1,594,386									$ 1,594,386
GRANTS IN LIEU OF TAXES	$ 498,232									498,232
SALE OF SERVICES				$ 76,092	$ 63,560			$ 8,876		148,528
OTHER REVENUE FROM OWN SOURCES	$ 205,274	$ 68,903		$ 36,522		$ 28,002	$ 52,549		$ 10,968	402,218
UNCONDITIONAL TRANSFERS FROM OTHER GOV'TS		$ 100,000	$ 91,956							191,956
CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOV'T			$ 205,000							205,000
WATER UTILITY									$ 273,124	273,124
TOTAL REVENUE	$ 2,297,892	$ 168,903	$ 296,956	$ 112,614	$ 63,560	$ 28,002	$ 52,549	$ 8,876	$ 284,092	$ 3,313,444
EXPENDITURES										
SALARIES, WAGES AND BENEFITS	$ 285,435	$ 409,265	$ 102,921	$ 86,883	$ 66,764	$ 15,072		$ 34,108		$ 1,000,448
OPERATING COSTS	$ 341,615	$ 217,042	$ 702,684	$ 206,297	$ 44,152	$ 210,978	$ 769	$ 24,229		1,747,766
AMORTIZATION	$ 28,627	$ 19,518	$ 82,528	$ 117,024	$ 104,960				$ 64,383	417,040
INTEREST ON LONG TERM DEBT							$ 4,779		$ 639	5,418
WATER UTILITY									$ 377,091	377,091
TOTAL EXPENDITURES	655,677	645,825	888,133	410,204	215,876	226,050	5,548	58,337	442,113	3,547,763
SURPLUS (DEFICIT)	$ 1,642,215	$ (476,922)	$ (591,177)	$ (297,590)	$ (152,316)	$ (198,048)	$ 47,001	$ (49,461)	(158,021)	$ (234,319)

TOWN OF ANNAPOLIS ROYAL

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

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash and cash equivalents	$ **272,980**	$ 402,434
Taxes receivable (net of valuation allowance)	**61,396**	42,031
Other receivables	**129,225**	136,355
Harmonized sales tax	**72,484**	30,776
Due from		
Water Operating fund	**18,336**	27,929
Water Capital fund	-	-
Gas Tax reserve fund	-	-
	554,421	639,525
OTHER ASSETS		
Prepaid expenses	**2,007**	78,046
Inventory	**2,030**	2,350
	4,037	80,396
	$ **558,458**	$ 719,921
LIABILITIES		
Payables	$ **180,070**	$ 140,725
Deferred revenue	**81,658**	36,119
Due to		
General Operating reserve fund	**1,824**	248,171
General Capital fund	-	-
	263,552	425,015
OTHER LIABILITIES		
Reserve, Annapolis Royal Housing Fund	**39,349**	39,349
	302,901	464,364
SURPLUS	**255,557**	255,557
	$ **558,458**	$ 719,921

On behalf of the Town

_______________________ Mayor

Sandi Millett Campbell
_______________________ Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED STATEMENT OF OPERATIONS OF THE GENERAL OPERATING FUND

YEAR ENDED MARCH 31, 2025

	2025		2024
	Budget (unaudited)	Actual	Actual
REVENUE			
Taxes (page 21)	$ 1,595,513	$ 1,594,386	$ 1,438,421
Grants in lieu of taxes (page 21)	497,784	498,233	493,581
Unconditional transfers from other governments (page 21)	191,956	191,956	191,956
Sale of services (page 21)	116,600	175,528	127,280
Other revenue from own sources (page 22)	501,669	569,250	432,466
	2,903,522	3,029,353	2,683,704
EXPENSES			
General government services (page 23)	493,185	451,483	416,239
Protective services (page 23)	719,587	739,830	664,552
Transportation services (page 24)	808,285	805,604	242,967
Environmental health services (page 24)	335,924	293,179	280,631
Recreational services (page 24)	92,328	86,804	91,007
Cultural services (page 24)	22,653	26,231	24,230
Marketing services (page 25)	50,991	71,628	107,883
Economic development services (page 25)	112,753	152,303	104,572
Planning services (page 25)	81,822	58,337	65,273
Fiscal services (page 25)	194,028	177,724	182,307
	2,911,556	2,863,123	2,179,661
NET REVENUE	(8,034)	166,230	504,043
FINANCING AND TRANSFERS			
Long Term Debt Principal repaid	(38,406)	(38,406)	(37,872)
Reserve for uncollected taxes		-	-
Net transfers (to) from			
Capital fund	(256,000)	(256,000)	(198,000)
Operating reserve fund		150,000	-
General capital reserve transfer	323,440	(20,000)	(20,000)
Operating reserve fund (2021/2022 surplus)		-	-
Operating reserve fund (2023/2024 surplus)		-	(248,171)
Operating reserve fund (2024/2025 surplus)	(1,000)	(1,824)	-
	28,034	(166,230)	(504,043)
CHANGE IN FUND BALANCE	20,000	-	-
SURPLUS AT BEGINNING OF YEAR		255,557	255,557
SURPLUS AT END OF YEAR		$ 255,557	$ 255,557

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED SCHEDULE OF GENERAL OPERATING FUND REVENUES

YEAR ENDED MARCH 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Taxes			
Assessable Property			
Residential	$ 1,137,125	$ 1,134,000	$ 1,016,080
Commercial property	413,153	411,150	384,273
Area assessment			
Environmental health service	37,735	37,735	27,372
Business property			
Nova Scotia Power Inc. (HST Rebate)	7,500	11,501	10,696
Total taxes	$ 1,595,513	$ 1,594,386	$ 1,438,421
Grants in lieu of taxes			
Federal government	$ 41,200	$ 41,174	$ 39,142
Provincial government	23,147	22,943	22,842
Nova Scotia Power Inc.	428,880	428,880	427,040
Maritime Telegraph and Telephone	4,557	5,236	4,557
Total Grants in lieu of taxes	$ 497,784	$ 498,233	$ 493,581
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	$ 191,956	$ 191,956	$ 191,956
Sales of services			
Planning services	$ 7,600	$ 8,876	$ 10,142
Sewage treatment charges	42,000	76,092	64,757
Recreation	67,000	90,560	52,381
Total sales of services	$ 116,600	$ 175,528	$ 127,280

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025		2024
	Budget (unaudited)	Actual	Actual
Other revenue from own sources			
Hall / Office rentals	$ 50,400	$ 49,770	$ 50,170
Wharf rental	5,200	280	5,220
Interest on investments	30,000	33,764	39,292
Licenses and permits	3,100	2,062	3,109
Miscellaneous	2,500	1,987	6,252
Pixie Dust	15,000	13,000	12,600
Valley Waste	15,000	26,648	15,393
Fines and police checks	68,000	41,903	76,417
Penalties and interest on taxes	9,000	18,785	11,176
Marketing	214,969	267,617	112,408
Deed transfer tax	85,000	111,000	97,758
PST refunds	3,500	2,434	2,671
Total other revenue from own sources	$ 501,669	$ 569,250	$ 432,466
TOTAL REVENUE	$ 2,903,522	$ 3,029,353	$ 2,683,704

TOWN OF ANNAPOLIS ROYAL

NON-CONSOLIDATED SCHEDULE OF GENERAL OPERATING FUND EXPENDITURES

YEAR ENDED MARCH 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
General government services			
Legislative			
Mayor and Council	$ 59,005	$ 60,828	$ 46,955
General administrative			
Administrative	256,685	257,039	229,467
Atlantic Infrastructure Management Network			-
Financial management	35,634	34,851	32,455
Common services	64,062	38,899	18,748
Professional fees	43,450	30,341	64,890
Other general administrative services	34,349	29,525	23,724
Total general government services	$ 493,185	$ 451,483	$ 416,239
Protective services			
Fire protection			
Fire fighters	$ 56,710	$ 58,212	$ 56,710
Water supply and hydrants	110,130	110,130	110,130
Fire department capital grant	-	-	-
	166,840	168,342	166,840
Police protection			
Police salaries and benefits	422,106	430,389	389,408
Police automotive equipment	18,176	20,272	18,713
Radio and telephone	11,394	10,178	10,350
Police other expenses	67,257	75,360	47,669
	518,933	536,199	466,140
Emergency measures	6,910	10,842	6,235
Other			
Trees commission	14,700	13,933	16,136
Gardening	10,704	9,986	8,198
Animal control	1,500	528	1,003
	26,904	24,447	25,337
Total protective services	$ 719,587	$ 739,830	$ 664,552

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Transportation services			
Road transport			
Roads and streets	$ 612,378	$ 630,713	$ 80,140
Kings Transit services	5,000	5,000	5,000
Street lighting	10,790	8,994	9,687
Public Works			
Administrative	114,970	99,539	96,635
Equipment	40,302	43,426	33,450
Farmers' market maintenance	2,100	445	29
Workshop	22,745	17,487	18,026
Total transportation services	$ 808,285	$ 805,604	$ 242,967
Environmental health services			
Administrative	$ 99,455	$ 87,174	$ 92,289
Central treatment plant operations	144,031	113,269	98,894
Garbage, waste and recycling	92,438	92,736	89,448
Total environmental health services	$ 335,924	$ 293,179	$ 280,631
Recreational services			
Facility maintenance and repairs	$ 6,590	$ 3,568	$ 12,066
Friends of the pool society	8,000	8,000	8,000
Programs and activities	4,568	2,456	1,456
Conferences and travel	2,060	631	1,344
Insurance	4,351	4,030	3,839
Wages and benefits	64,806	66,866	62,471
Telephone	650	444	417
Office supplies / equipment	1,303	809	1,414
Total recreational services	$ 92,328	$ 86,804	$ 91,007
Cultural services			
Farmers' market	$ 1,065	$ 930	$ 999
Town crier	525	603	501
Library	21,063	24,698	22,730
Total cultural services	$ 22,653	$ 26,231	$ 24,230

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Marketing services			
Advertising and website	$ 5,093	$ 2,808	$ 2,936
Wages and benefits	11,633	15,072	10,677
General expenses	25,050	45,114	23,384
Post COVID stimulus grant	-	-	60,000
Promotional	3,215	3,581	2,110
Twinning	1,000	107	4,708
Natal Day	5,000	4,946	4,068
Total marketing services	$ 50,991	$ 71,628	$ 107,883
Economic development services			
Pixie Dust	$ 15,000	$ 12,921	$ 12,893
Economic Development	43,686	86,490	51,695
Annapolis Royal Wharf	7,000	8,002	6,880
Local and Area Economic Development (ARRA)	21,067	24,112	18,204
Bus Garage expense	26,000	20,778	14,900
Total economic development services	$ 112,753	$ 152,303	$ 104,572
Planning services			
Planning services	$ 81,822	$ 58,337	$ 65,273
Total planning services	$ 81,822	$ 58,337	$ 65,273
Fiscal services			
Debt charges			
Debenture interest	$ 4,779	$ 4,779	$ 2,928
Bank service charges	5,000	769	1,397
Unconditional transfers to other governments and agencies			
Annapolis Royal Housing Authority	15,000	-	12,957
Conditional transfers to other governments and agencies			
Correctional services	11,249	-	11,149
Appropriation to Regional School Authority	158,000	172,176	153,876
Total fiscal services	$ 194,028	$ 177,724	$ 182,307
TOTAL EXPENSES	$ 2,911,556	$ 2,863,123	$ 2,179,661

TOWN OF ANNAPOLIS ROYAL

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

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash and cash equivalents	**$ 335,717**	$ 410,374
Other receivables	**32,000**	-
HST receivable	**23,368**	14,641
Due from		
Gas tax reserve fund	**30,000**	-
General operating fund	**-**	-
	421,085	425,015
Capital assets, at cost (note 6)	**13,390,034**	12,977,459
Accumulated amortization (note 6)	**(7,142,999)**	(6,812,781)
	6,247,035	6,164,678
	$ 6,668,120	$ 6,589,693
LIABILITIES		
Accounts payable	**$ 182,448**	$ 166,219
Deferred revenue	**-**	124,627
Long Term Debt		
Canada Mortgage and Housing Corporation (note 7)	**13,962**	27,369
Municipal Finance Debenture (note 7)	**125,000**	150,000
	321,410	468,215
FUND BALANCE	**6,346,710**	6,121,478
	$ 6,668,120	$ 6,589,693

On behalf of the Town

_______________________ Mayor

Dandi Millett Campbell
_______________________ Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025	2024
REVENUE		
Lift station grant	$ 32,000	$ 20,000
Grant Potter Memorial Park funding	50,000	-
Playground redesign funding	2,000	-
Accessibility funding	-	4,825
Gain on disposal of tangible capital assets	3,400	19,621
Sustainable Growth Inc. Funding	124,627	124,627
County of Annapolis Funding	-	21,317
Interest	11,456	18,236
	223,483	208,626
EXPENDITURES		
Amortization	352,657	334,626
NET REVENUE (EXPENDITURES)	(129,174)	(126,000)
FINANCING AND TRANSFERS		
Debt retired, long term	38,406	37,872
Transfers from own reserves, funds and agencies		
Transfer from general operating	256,000	198,000
Transfer from gas tax reserve	60,000	-
Transfer (to) from reserve fund	-	-
Total net transfers	316,000	198,000
Total financing and transfers	354,406	235,872
CHANGE IN FUND BALANCE	225,232	109,872
SURPLUS AT BEGINNING OF YEAR	6,121,478	6,011,606
SURPLUS AT END OF YEAR	$ 6,346,710	$ 6,121,478

TOWN OF ANNAPOLIS ROYAL

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

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	**$ 86,329**	$ 151,474
Rates receivable, net of asset valuation of $2,500 (2024 - $2,500)	**66,638**	60,465
Interest receivables	**-**	-
Other receivables	**1,455**	1,630
Inventory, at cost	**32,864**	36,558
	$ 187,286	$ 250,127
LIABILITIES		
Payables	**$ 46,829**	$ 44,165
Due to		
General operating fund	**18,336**	27,929
Water capital fund	**64,383**	64,863
	129,548	136,957
ACCUMULATED SURPLUS	**57,738**	113,170
	$ 187,286	$ 250,127

On behalf of the Town

_______________________________ Mayor

Sandi Millett Campbell
_______________________________ Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
OPERATING REVENUE			
Metered sales	$ 273,500	$ 271,524	$ 268,982
Public fire protection	110,130	110,130	110,130
Other operational revenue	3,100	3,196	3,054
Total operating revenue	386,730	384,850	382,166
OPERATING EXPENDITURES			
Source of supply (page 30)	98,145	113,283	97,464
Power and pumping (page 30)	2,750	2,662	2,484
Water testing and treatment	17,000	14,707	15,899
Transmission and distribution (page 30)	110,288	106,781	97,246
Administration and general (page 30)	130,050	136,329	112,352
Depreciation	64,863	64,383	64,863
Professional services	3,830	3,330	3,358
Total operating expenditures	426,926	441,475	393,666
NET OPERATING REVENUE (EXPENDITURE)	(40,196)	(56,625)	(11,500)
Non-operating revenue			
Interest	8,600	7,865	8,558
Other	2,500	1,508	2,501
	11,100	9,373	11,059
Non-operating expenditures			
Debt charges			
Principal	7,241	7,541	7,240
Interest	939	639	(386)
Transfer to Water Capital reserve fund	-	-	-
	8,180	8,180	6,854
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE)	(37,276)	(55,432)	(7,295)
SURPLUS AT BEGINNING OF YEAR		113,170	120,465
SURPLUS AT END OF YEAR		$ 57,738	$ 113,170

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025		2024
	Budget (unaudited)	Actual	Actual
SOURCE OF SUPPLY			
Cost of sharing Municipal water supply	$ 98,145	$ 113,283	$ 97,464
	$ 98,145	$ 113,283	$ 97,464
POWER AND PUMPING			
Power	$ 2,500	$ 2,419	$ 2,296
Pumping	250	243	188
	$ 2,750	$ 2,662	$ 2,484
TRANSMISSION AND DISTRIBUTION			
Salaries and wages	$ 63,380	$ 56,685	$ 59,587
Maintenance	40,005	42,456	31,604
Transportation expenses	6,903	7,640	6,055
	$ 110,288	$ 106,781	$ 97,246
ADMINISTRATION AND GENERAL			
Salaries and benefits	$ 90,496	$ 96,271	$ 85,755
General and office expenses	12,940	18,158	15,225
Regulatory expenses	845	870	845
Building expenses	25,769	21,030	10,527
	$ 130,050	$ 136,329	$ 112,352

TOWN OF ANNAPOLIS ROYAL

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

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	$ **47,626**	$ 55,041
Depreciation Fund Water Utility (note 5)	**711,943**	620,175
Interest receivable	-	-
HST receivable	-	4,255
Due from		
Water operating fund	**64,384**	64,863
	823,953	744,334
Capital assets (note 6)	**3,605,728**	3,591,301
Accumulated allowance for depreciation (note 6)	**(1,365,906)**	(1,301,524)
	2,239,822	2,289,777
	$ **3,063,775**	$ 3,034,111
LIABILITIES		
Due to		
General operating fund	$ -	$ -
HST receivable	**630**	-
Long-term debt (note 7)	**7,854**	15,394
Deferred government assistance	**599,439**	610,167
	607,923	625,561
INVESTMENT IN CAPITAL ASSETS	**2,455,852**	2,408,550
	$ **3,063,775**	$ 3,034,111

On behalf of the Town

____________________ Mayor

Sandi Millett Campbell

____________________ Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025	2024
REVENUE		
Interest	$ 29,033	$ 29,813
PCAP funding	-	-
Amortization of deferred assistance	10,728	10,728
	39,761	40,541
EXPENDITURES		
Capital purchases	-	-
	-	-
NET REVENUE	39,761	40,541
FINANCING AND TRANSFERS		
Repayment of debt	7,541	7,241
Transfer from water utility capital reserve	-	100,000
Total financing and transfers	7,541	107,241
CHANGE IN FUND BALANCE	47,302	147,782
SURPLUS AT BEGINNING OF YEAR	2,408,550	2,260,768
SURPLUS AT END OF YEAR	$ 2,455,852	$ 2,408,550

TOWN OF ANNAPOLIS ROYAL

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

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	$ 569,871	$ 507,449
Interest receivable	-	-
Due from Water Utility Capital Reserve Fund	498	498
	$ 570,369	$ 507,947
LIABILITIES		
Due to Water Utility Capital Reserve Fund	$ -	$ -
Deferred revenue	81,656	81,656
RESERVE	488,713	426,291
	$ 570,369	$ 507,947

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025	2024
REVENUE		
Interest income	$ 21,434	$ 18,261
Grant Potter Park Funds	-	3,976
FRIP Funds	20,988	-
	42,422	22,237
EXPENDITURES		
Wharf handover funds	-	-
NET REVENUE (EXPENDITURE)	42,422	22,237
FINANCING AND TRANSFERS		
Transfer from (to) general operating	20,000	20,000
Change in fund balance	62,422	42,237
Opening fund balance	426,291	384,054
Closing fund balance	$ 488,713	$ 426,291

On behalf of the Town

_______________ Mayor

Sandi Millett Campbell
_______________ Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

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

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	**$ 134,276**	$ 128,843
Interest receivable	-	-
Due from general capital reserve fund	-	-
	$ 134,276	$ 128,843
LIABILITIES		
Due to general capital reserve fund	**$ 498**	$ 498
RESERVE	**133,778**	128,345
	$ 134,276	$ 128,843

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025	2024
REVENUE		
Interest income	**$ 5,433**	$ 8,996
EXPENDITURES	-	-
NET REVENUE (EXPENDITURE)	**5,433**	8,996
FINANCING AND TRANSFERS		
Transfer from (to) water capital	-	(100,000)
	-	(100,000)
Change in fund balance	**5,433**	(91,004)
Opening fund balance	**128,345**	219,349
Closing fund balance	**$ 133,778**	$ 128,345

On behalf of the Town

_______________ Mayor

Sandi Millett-Campbell _______________ Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

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

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	$ **809,270**	$ 682,084
Interest receivable	-	-
Due from general operating fund	**151,825**	248,171
	$ **961,095**	$ 930,255
RESERVE	$ **961,095**	$ 930,255

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025	2024
REVENUE		
Interest income	$ **29,015**	$ 28,801
EXPENDITURES	-	-
NET REVENUE (EXPENDITURE)	**29,015**	28,801
FINANCING AND TRANSFERS		
Transfer from general operating 2021/2022 surplus	-	-
Transfer from general operating 2022/2023 surplus	-	-
Transfer from general operating 2023/2024 surplus	-	248,171
Transfer from general operating 2024/2025 surplus	**1,825**	-
	1,825	248,171
Change in fund balance	**30,840**	276,972
Opening fund balance	**930,255**	653,283
Closing fund balance	$ **961,095**	$ 930,255

On behalf of the Town

_______________________ Mayor

Sandi Millett Campbell
_______________________ Chief Administrative Officer

TOWN OF ANNAPOLIS ROYAL

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

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	**$ 616,285**	$ 555,866
Interest receivable	**-**	-
	$ 616,285	$ 555,866
RESERVE	**$ 616,285**	$ 555,866

TOWN OF ANNAPOLIS ROYAL

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

YEAR ENDED MARCH 31, 2025

	2025	2024
REVENUE		
Interest income	**$ 22,723**	$ 22,774
Gas tax funds received	**67,696**	65,997
	90,419	88,771
EXPENDITURES	**-**	-
NET REVENUE (EXPENDITURE)	**90,419**	88,771
FINANCING AND TRANSFERS		
Transfer to general capital fund	**(30,000)**	-
	(30,000)	-
Change in fund balance	**60,419**	88,771
Opening fund balance	**555,866**	467,095
Closing fund balance	**$ 616,285**	$ 555,866

On behalf of the Town

_______________________ Mayor

Sandi Millett Campbell

_______________________ Chief Administrative Officer