

TOWN OF MULGRAVE

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025



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Town of Mulgrave
Consolidated Financial Statements
March 31, 2025

Management's Responsibility for the Consolidated Financial Statements

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and supplementary schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements. 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.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are 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.

Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Audit Committee. Council reviews internal financial statements on a regular basis and external audited consolidated financial statements annually. The Audit Committee also discusses any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The external auditors, MNP LLP, conduct an independent examination, in accordance with Canadian Auditing Standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Town of Mulgrave and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Town of Mulgrave



Chief Administration Officer

June 16, 2025

To the Mayor and Members of Council of Town of Mulgrave:

Opinion

We have audited the consolidated financial statements of Town of Mulgrave and its subsidiaries (the "Town") on pages 4-18, which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statement of financial activities, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at March 31, 2025, and the results of its consolidated operations, changes in its net financial assets and its consolidated 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 Consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter - Supplementary Financial Information

The audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on pages 19-27 is presented for the purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion on the audit of the consolidated financial statements as a whole.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Sydney, Nova Scotia

July 11, 2025

MNP LLP

Chartered Professional Accountants

MNP

**Town of Mulgrave
Consolidated Statement of Financial Activities**

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Year Ended March 31		2025	2025	2024
	<u>Page</u>	<u>Budget</u> <u>(Note 14)</u>	<u>Actual</u>	<u>Actual</u>
Revenue				
Taxes	19	\$ 1,854,765	\$ 1,956,177	\$ 1,713,542
Payments in lieu of taxes	19	12,564	13,424	12,657
Other revenue from own sources	19	268,988	410,005	415,575
Unconditional transfers from other governments	19	141,127	141,606	137,174
Conditional transfers from other governments	20	46,975	498,593	190,528
Water rates	23	509,100	474,061	485,244
		<u>2,833,519</u>	<u>3,493,866</u>	<u>2,954,720</u>
Expenditures				
General government services	20	967,701	925,784	892,631
Protective services	21	352,273	348,706	322,960
Transportation services	21	570,051	564,034	552,897
Environmental health services	21-22	377,627	374,619	343,027
Recreation and cultural services	22	252,896	237,503	235,150
Water expenditures	23	562,504	549,715	525,170
		<u>3,083,052</u>	<u>3,000,361</u>	<u>2,871,835</u>
Annual Surplus		<u>(249,533)</u>	<u>493,505</u>	<u>82,885</u>
Accumulated Surplus, beginning of year			\$ 9,685,098	9,602,213
Accumulated Surplus, end of year			<u>\$ 10,178,603</u>	<u>\$ 9,685,098</u>

See accompanying notes to the consolidated financial statements

**Town of Mulgrave
Consolidated Statement of Financial Position**

March 31	2025	2024
Financial Assets		
Cash and cash equivalents	\$ 2,650,316	\$ 3,017,091
Receivables (Note 3)	<u>809,341</u>	<u>625,213</u>
	<u>3,459,657</u>	<u>3,642,304</u>
Financial Liabilities		
Payables and accruals	310,957	377,278
Deferred revenue	392,487	749,379
Long term debt (Note 6)	1,155,803	1,256,336
Asset retirement obligation (Note 7)	<u>833,747</u>	<u>806,399</u>
	<u>2,692,994</u>	<u>3,189,392</u>
Net Financial Assets	<u>766,663</u>	<u>452,912</u>
Non-financial Assets		
Tangible capital assets (Note 4)	9,358,166	9,181,192
Unamortized debenture discount	6,782	7,751
Inventory not held for resale	13,654	11,978
Prepaid expenses	<u>33,338</u>	<u>31,265</u>
	<u>9,411,940</u>	<u>9,232,186</u>
Accumulated Surplus	<u>\$ 10,178,603</u>	<u>\$ 9,685,098</u>
Contingencies (Note 13)		

On behalf of the Town



Mayor



CAO

See accompanying notes to the consolidated financial statements

Town of Mulgrave
Consolidated Statement of Changes in Net Financial Assets

Year Ended March 31	2025	2025	2024
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ (249,533)	\$ 493,505	\$ 82,885
Acquisition of tangible capital assets	(374,980)	(539,245)	(485,591)
Amortization of tangible capital assets	298,779	362,271	360,092
Payment of debenture discount	-	969	596
Change in inventory	-	(1,676)	475
Change in prepaid expenses	-	(2,073)	(1,783)
Change in net financial assets	\$ (325,734)	313,751	(43,326)
Net financial assets			
Beginning of year		452,912	496,238
End of year		\$ 766,663	\$ 452,912

See accompanying notes to the consolidated financial statements

Town of Mulgrave
Consolidated Statement of Cash Flows

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Year Ended March 31	2025	2024
	<u>Actual</u>	<u>Actual</u>
Cash provided by (used in)		
Operating activities		
Annual surplus	\$ 493,505	\$ 82,885
Amortization of tangible capital assets	362,271	360,092
Amortization of debenture discount	969	596
Accretion expense	27,348	26,451
Change in non-cash assets and liabilities		
Receivables	(184,128)	39,282
Inventory	(1,676)	475
Prepaid expenses	(2,073)	(1,783)
Payables and accruals	(66,321)	(19,442)
Deferred revenue	<u>(356,892)</u>	<u>325,281</u>
	<u>273,003</u>	<u>813,837</u>
Investing activities		
Acquisition of tangible capital assets	<u>(539,245)</u>	<u>(485,591)</u>
Financing activities		
Repayment of long term debt	<u>(100,533)</u>	<u>(100,533)</u>
Net increase (decrease) in cash and cash equivalents	(366,775)	227,713
Cash and cash equivalents,		
Beginning of year	<u>3,017,091</u>	<u>2,789,378</u>
End of year	<u>\$ 2,650,316</u>	<u>\$ 3,017,091</u>

See accompanying notes to the consolidated financial statements

1. Significant accounting policies

The consolidated financial statements of the Town of Mulgrave (the "Town") have been prepared by management in accordance with Canadian Public Sector Accounting Standards, as recommended by the Public Sector Accounting Board (PSAB) of Chartered Professional Accountants (CPA) Canada.

Significant aspects of the accounting policies adopted by the Town are as follows:

a) Reporting entity

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

Interdepartmental and organizational transactions and balances are eliminated.

b) Basis of accounting

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

c) Fund accounting

Funds within the consolidated financial statements consist of operating, capital and reserve funds of both the general operations and the Mulgrave Water Utility.

d) Use of estimates

In preparing the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenses during the reporting period.

Amortization is based on the estimated useful lives of capital assets.

Taxes, rates and other receivables are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Additionally, the Town's asset retirement obligations have resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets, annual inflation, the expected retirement costs, discount rate, as well as the timing and duration of these retirement costs.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

Town of Mulgrave
Notes to the Consolidated Financial Statements
March 31, 2025

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1. **Significant accounting policies (continued)**

e) **Valuation allowance**

Uncollected taxes and rates

The Town provides a valuation allowance for estimated losses that will be incurred in collecting outstanding receivables.

f) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, and highly liquid temporary money instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

g) **Financial instruments**

Initial measurement

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Financial instruments consist of cash and cash equivalents, tax and rates receivable, other receivables, accounts payable and accrued liabilities and long-term debt.

Subsequent measurement

At each reporting date, the Town measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments, which must be measured at fair value. The Town uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of revenues and expenses. The financial instruments measured at amortized cost are cash and cash equivalents, tax and rates receivable, other receivables, accounts payable and accrued liabilities and long-term debt.

Impairment

For financial assets measured at cost or amortized cost, the Town regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Town determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of financial activities.

Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest or credit risks arising from financial instruments.

1. Significant accounting policies (continued)

h) Asset retirement obligation

Public Section Accounting Standards PS 3280 - Asset Retirement Obligation ("PS 3280") addresses the reporting of legal obligations associated with the retirement on certain tangible capital assets, including the removal and remediation of contaminants in tangible capital assets by public sector entities.

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

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

The liability associated with the remediation of contaminants present within the buildings owned by the Town has been recognized based on the estimated future expenses of remediation.

The liability is discounted using the present value calculation and adjusted annually for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective tangible capital asset. The increase to tangible capital assets is being amortized in accordance with the amortization accounting policies described below.

i) Revenue recognition

The accrual basis of accounting is used for all revenues. The accrual basis of accounting recognizes revenues as they are earned and measurable and ultimate collection is reasonably assured.

i) Taxation and related revenue

Property tax billings are prepared by the Town based on assessment rolls issued by the Property Valuation Services Corporation. Tax rates are established annually by Town Council during the budget approval process. Tax adjustments as a result of appeals and roll revisions are recorded when official notification is received. Prepayment of taxes that have been collected, is deferred until related services have been performed. These amounts will be recognized as revenue in the fiscal year the services are performed.

ii) Government transfers

Transfers from other governments are recognized in the period in which all eligibility criteria and/or stipulations have been met and the amounts are authorized. Any funding received prior to satisfying these conditions is deferred until the conditions have been met. When revenue is received without eligibility criteria or stipulations, it is recognized when the transfers are authorized by the other governments.

iii) Other revenues

Other revenues are recognized as services or goods are provided, the exchange amount is measurable and collectability of the amount is reasonably assured.

Town of Mulgrave
Notes to the Consolidated Financial Statements
March 31, 2025

1. **Significant accounting policies (continued)**

j) **Tangible capital assets**

Tangible capital assets and projects in progress are recorded at cost less accumulated amortization and impairment. Interest incurred during construction on significant projects is recorded as part of the cost of the project asset.

Amortization of general assets is recorded in the financial statements on a straight line basis over an asset's estimated useful life as noted below. Amortization is not recorded on work in progress until put in use by the Town.

Wastewater lines	50
Buildings	40
Roads and streets	25
Land improvements	20
Wastewater treatment facilities	20
Heavy equipment	10
Vehicles	5
Machinery and equipment	5
Water system	75
Water treatment plant	50-90

k) **Budget figures**

The budget figured contained in these consolidated financial statements were approved by Council on June 17, 2024 in its original plan. Note 14 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these consolidated financial statements.

l) **Reserve funds**

Certain amounts, as approved by Council of the Town, are set aside in reserve funds for future operating and capital purposes. Transfers to and or from reserves funds are an adjustment to the respective fund when approved.

Town of Mulgrave
Notes to the Consolidated Financial Statements
March 31, 2025

2. Contributions to Boards, Regional Authorities and Other Agencies

The Town of Mulgrave is required to finance the operations of various Boards, Regional Authorities and other Agencies, along with other municipal units based on formulae contained in agreements, legislation or regulation.

In addition, the Town shares in the deficits or surpluses of some of these organizations based upon the relevant cost sharing percentage.

Strait Regional School Board

During 2024-2025, the Town paid \$142,918 (2024 - \$133,703) as its share of the operations of the Strait Regional School Board, serving the counties of Antigonish, Guysborough, Inverness and Richmond.

Eastern Mainland Regional Housing Authority

An estimated amount of \$35,000 (Actual \$25,099) was provided as at March 31, 2024. The estimated amount for March 31, 2025 is \$Nil. The Province as part of Provincial-Municipal Service Exchange has absorbed the annual costs associated with public housing losses effective April 1, 2025.

Eastern Counties Regional Library Board

During 2024-2025 the Town paid \$6,200 (2024 - \$6,200) as its share of the operations of the Eastern Counties Regional Library Board, serving counties Antigonish, Guysborough, Inverness, and Richmond.

3. Receivables

	<u>Current</u> <u>Year</u>	<u>Prior</u> <u>Years</u>	<u>2025</u> <u>Total</u>	<u>2024</u> <u>Total</u>
Taxes				
Balance, beginning of year	\$ -	\$ 505,542	\$ 505,542	\$ 406,535
Current year levy and interest	1,992,374	-	1,992,374	1,882,172
	<u>1,992,374</u>	<u>505,542</u>	<u>2,497,916</u>	<u>2,288,707</u>
Current year collections	1,795,671	55,543	1,851,214	1,783,165
	<u>196,703</u>	<u>449,999</u>	<u>646,702</u>	<u>505,542</u>
Valuation allowance			<u>(61,910)</u>	<u>(46,190)</u>
Balance, end of year			584,792	459,352
Water rates			60,818	74,844
Federal government			101,172	79,002
Provincial government			8,103	
Other			<u>54,456</u>	<u>12,015</u>
			<u>\$ 809,341</u>	<u>\$ 625,213</u>

Town of Mulgrave
Notes to the Consolidated Financial Statements
 March 31, 2025

	Cost		Additions	Deposits	Accumulated		Deposits & Adjustments	Amortization Expense		Accumulated Amortization 2025	Net Book Value	
	2024	2025			2024	2025		2024	2025		2024	2025
4. Capital Assets												
General government services												
Land	\$ 284,352	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 284,352	\$ 284,352
Buildings	279,547	359,313	79,766	-	47,424	-	6,136	-	53,560	305,753	232,123	232,123
ARO buildings	697,337	48,148	-	-	697,337	-	24,574	-	73,722	623,615	648,169	648,169
Equipment	145,852	145,852	-	-	145,852	-	-	-	145,852	-	-	-
Protective services												
Buildings	362,878	473,684	110,808	-	328,084	-	9,074	-	337,158	138,528	34,792	34,792
ARO buildings	57,028	57,028	-	-	11,407	-	5,703	-	17,110	39,918	45,621	45,621
Heavy equipment	359,821	359,821	-	-	272,321	-	10,950	-	263,271	78,650	87,600	87,600
Vehicles	27,283	27,283	-	-	27,283	-	-	-	27,283	-	-	-
Equipment	148,721	148,721	-	-	75,545	-	12,078	-	87,624	59,097	71,176	71,176
Transportation services												
Roads, street and sidewalks	3,307,240	3,578,516	271,278	-	2,078,106	-	86,300	-	2,161,406	1,417,112	1,231,134	1,231,134
Buildings	178,064	178,064	-	-	128,411	-	3,450	-	129,861	48,193	49,843	49,843
Heavy equipment	537,163	537,163	-	-	447,777	-	28,418	-	474,196	62,988	89,408	89,408
Vehicles	44,873	44,873	-	-	28,959	-	3,143	-	32,102	12,571	15,714	15,714
Equipment	108,704	117,385	10,681	-	82,380	-	11,491	-	73,871	43,494	44,324	44,324
Environmental health services												
Wastewater treatment plant	1,822,238	1,830,920	8,682	-	936,850	-	42,763	-	978,613	662,307	688,368	688,368
Wastewater collection lines	2,389,982	2,389,982	-	-	1,439,617	-	36,284	-	1,474,901	915,051	951,335	951,335
Waste treatment & collection equipment	7,740	66,790	58,050	-	1,239	-	184	-	1,393	64,397	6,501	6,501
Recreation and cultural services												
Land improvements	418,947	418,947	-	-	409,683	-	905	-	410,288	8,679	9,284	9,284
Facilities	178,293	178,293	-	-	134,703	-	4,827	-	139,330	38,963	43,560	43,560
Equipment	124,114	124,114	-	-	73,419	-	14,358	-	87,777	36,337	50,686	50,686
Property acquired at tax sale	4,448	4,448	-	-	-	-	-	-	-	4,448	4,448	4,448
	<u>11,278,503</u>	<u>11,817,748</u>	<u>539,245</u>	-	<u>6,682,186</u>	-	<u>297,109</u>	-	<u>6,969,297</u>	<u>4,828,451</u>	<u>4,586,315</u>	<u>4,586,315</u>
Water utility												
Land and land rights	9,984	9,984	-	-	-	-	-	-	-	-	9,984	9,984
Structures and improvements	75,888	75,888	-	-	39,852	-	1,215	-	38,087	37,821	39,038	39,038
Equipment	95,603	95,603	-	-	44,278	-	1,704	-	45,982	49,621	51,325	51,325
Mains	750,022	750,022	-	-	244,143	-	9,975	-	254,118	495,904	506,879	506,879
Treatment plant	28,082	28,082	-	-	20,865	-	1,304	-	22,169	3,913	5,217	5,217
Rate study	24,075	24,075	-	-	9,996	-	1,408	-	11,404	12,871	14,078	14,078
Services	20,303	20,303	-	-	6,496	-	406	-	6,902	13,401	13,807	13,807
Meters	35,912	35,912	-	-	18,098	-	1,795	-	19,891	18,021	17,816	17,816
Hydrants	33,884	33,884	-	-	18,098	-	448	-	18,546	15,138	15,588	15,588
Computer	13,516	13,516	-	-	13,516	-	-	-	13,516	-	-	-
Other	14,397	14,397	-	-	7,404	-	798	-	8,200	6,167	6,963	6,963
Vehicles	28,139	28,139	-	-	28,139	-	-	-	28,139	-	-	-
Meadow Brook Hill treatment plant	4,191,973	4,191,973	-	-	278,808	-	48,111	-	322,919	3,869,054	3,915,165	3,915,165
	<u>5,319,588</u>	<u>5,319,588</u>	<u>724,691</u>	-	<u>724,691</u>	-	<u>65,162</u>	-	<u>789,853</u>	<u>4,529,715</u>	<u>4,584,877</u>	<u>4,584,877</u>
Total	<u>\$ 16,586,071</u>	<u>\$ 17,137,316</u>	<u>\$ 539,245</u>	-	<u>\$ 7,416,879</u>	-	<u>\$ 362,271</u>	-	<u>\$ 7,779,150</u>	<u>\$ 9,358,196</u>	<u>\$ 9,181,182</u>	<u>\$ 9,181,182</u>

Town of Mulgrave
Notes to the Consolidated Financial Statements
March 31, 2025

5. Bank indebtedness

The Town has an authorized borrowing limit with East Coast Credit Union of up to 50% of the previous year's tax levy and has an interest rate of prime. The borrowing limit available to the Town for 2024-25 was \$760,000. As at March 31, 2025 the balance outstanding was \$ Nil (2024 - \$ Nil).

6. Long term debt

	<u>2025</u>	<u>2024</u>
MFC 2.330% - 3.205% debenture maturing in 2030, repayable in equal annual principal instalments of \$8,433, interest payable semi-annually.	\$ 50,603	59,036
MFC 2.218% - 2.925% debenture maturing in 2031, repayable in equal annual principal instalments of \$12,100, interest payable semi-annually.	145,200	157,300
MFC 1.854% - 3.108% debenture maturing in 2031, repayable in equal annual principal instalments of \$80,000, interest payable semi-annually.	<u>960,000</u>	<u>1,040,000</u>
	<u>\$ 1,155,803</u>	<u>\$ 1,256,336</u>

Principal repayments over the next five years are as follows:

2026	\$ 100,533
2027	100,533
2028	100,533
2029	100,533
2030	92,100

7. Asset retirement obligation

The Town's asset retirement obligation consists of the liability for the closure and remediation of contaminants present within the buildings owned by the Town. These contaminants represent a health hazard upon demolition and therefore there is a legal obligation for removal of these contaminants on decommissioning. These buildings have expected useful lives ranging from 3 to 28 years (2023 - 4 to 29 years). Estimated total costs of \$1,967,900 have been discounted to the present value using discount rates ranging from 3.3% to 3.4% per annum.

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

	<u>2025</u>	<u>2024</u>
Opening balance	\$ 806,399	\$ 779,948
Accretion expense	<u>27,348</u>	<u>26,451</u>
Closing balance	<u>\$ 833,747</u>	<u>\$ 806,399</u>

Town of Mulgrave
Notes to the Consolidated Financial Statements
March 31, 2025

8. Remuneration

The total remuneration paid to members of Council and Chief Administrative Officers are as follows:

	<u>Remuneration</u>	<u>Expenses</u>
Council		
Ron Chisholm	\$ 13,454	\$ 931
Amber Carrigan	3,608	-
Joanne Mass Latimer	4,274	238
Dabbie King	5,051	-
Helen Michel	3,053	139
Krista Luddington	4,274	-
Jane Tate	3,053	432
Bob Russell	7,327	233
Chief Administrative Officer		
David Gray	80,907	-

9. Rate of return on rate base

For the year ended March 31, 2025, the Mulgrave Water Utility had a rate of return on rate base of 2.63% (2024 - 3.13%).

10. Pension plan

The Town provides its employees with a defined contribution pension plan. As of March 31, 2025 there were no required future contributions in respect of past service and all contributions required under the plan have been funded. During the fiscal year, the Town contributed \$25,546 (2024 - \$20,456) to the plan.

11. Segmented information

The Town of Mulgrave is a municipal unit that provides a wide range of services to its residents and property owners. The Town's operations and activities are organized and reported by fund for the purpose of recording specific activities to meet objectives as outlined by legislation, regulations, by-laws, or other limitations and restrictions. Services are provided in the following categories which are disclosed in the schedules to the consolidated financial statements:

General government services

This includes the legislative function of Town Council which provides direction through by-laws, policies and strategic planning. It also encompasses the administrative functions of the Town including organizational management, finance, accounting, tax billing and collections

Protective services

The Town acquires police services from the RCMP through an agreement with the Province of Nova Scotia and pays the province for correctional services. Fire protection is provided by the Mulgrave Volunteer Fire Department. The Town pays the operating expenses of the Department.

11. Segmented information (continued)

Transportation services

The Town owns and maintains all public roads, street and sidewalks in the community, including snow removal and streetlights.

Environmental health services

The Town provides both sanitary and storm wastewater management and treatment. Solid waste collection and disposal is provided in conjunction with the Municipality of the District of Guysborough.

Public health services

The Town contributes to public housing through the Eastern Mainland Housing Authority.

Recreation and cultural services

The Town has a number of recreational facilities and offers programming in conjunction with other community organizations. Staff assists in planning of community festivals and events.

Mulgrave Water Utility

The utility sources, treats and distributes potable water to the community and provides flows to assist with fire protection.

12. Financial Instruments

The Town as part of its operations carries a number of financial instruments. It is management's opinion that the Town is not exposed to significant interest or currency risks arising from these financial instructions except as otherwise disclosed.

Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The carrying amount of the Town's financial instruments best represents the maximum exposure to credit risk. The Town manages its credit risk by providing allowances for potentially uncollectible receivables.

Liquidity risk

Liquidity risk is the risk that the Town will encounter difficulty in meeting its obligations associated with financial liabilities. The Town enters into transactions to borrow funds from financial institutions or other creditors for which repayment is required at various maturity dates. The Town manages liquidity risk by monitoring forecasted and actual cash flows.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market interest rates. The Town's interest rate risk arises from long-term borrowings at a fixed rate that creates fair value interest rate risk. Changes in market interest rates cause the fair value of these long-term debt with fixed interest rates to fluctuate but do not affect net income, as the Town's long-term debt is carried at amortized cost and the carrying value does not change as the interest rate changes. The Town's future obligations with respect to debt repayment are disclosed in Note 6.

Town of Mulgrave
Notes to the Consolidated Financial Statements
March 31, 2025

13. Contingencies

On November 2, 2021, a commercial corporation commenced action against the Town seeking a declaration that one of its properties is exempt from the Town's sewer charge, as well as claiming damages and costs. The result or quantity of the action if successful is unknown as at the audit report date. On March 5, 2025 the Town submitted an offer to settle on a reduced payment of \$350,000 for unpaid sewer charges up to March 4, 2025.

14. Budget figures

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the consolidated statement of financial activities and consolidated statement of changes' in net financial assets has been adjusted to be on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the consolidated financial statements. Adjustments consist of budgeted capital funding and amortization of tangible capital assets.

	<u>Approved Fiscal</u> <u>Plan</u>	<u>Adjustments</u>	<u>Fiscal Plan per</u> <u>Consolidated</u> <u>Financial</u> <u>Statements</u>
Revenue			
Taxes	\$ 1,854,765	\$ -	1,854,765
Payments in lieu of taxes	12,564	-	12,564
Other revenue from own sources	268,988	-	268,988
Unconditional transfers from other governments	141,127	-	141,127
Conditional transfers from other governments	46,975	-	46,975
Water rates	616,893	(107,793)	509,100
	<u>2,941,312</u>	<u>(107,793)</u>	<u>2,833,519</u>
Expenditures			
General government services	911,651	56,050	967,701
Protective services	420,254	(67,981)	352,273
Transportation services	440,249	129,802	570,051
Environmental health services	298,426	79,201	377,627
Recreation and cultural services	233,306	19,590	252,896
Water Utility	616,893	(54,389)	562,504
	<u>2,920,779</u>	<u>162,273</u>	<u>3,083,052</u>
Other expenditures/revenues	<u>20,533</u>	<u>-</u>	<u>-</u>
Annual Surplus (Deficit)	<u>\$ -</u>	<u>\$ (270,066)</u>	<u>\$ (249,533)</u>

Town of Mulgrave

Schedule of Consolidated Segmented Disclosure

Year Ended March 31, 2025
(Unaudited)

2025 2024

	General government services	Protective services	Transportation services	Environmental health services	Recreation and cultural services	Water Utility	Total	Total
Revenue								
Taxes	\$ 1,499,275	\$ 131,177	\$ -	\$ 325,725	\$ -	\$ -	\$ 1,956,177	\$ 1,713,542
Payments in lieu of taxes	13,424	-	-	-	-	-	13,424	12,657
Other revenue from own sources	234,810	238	8,205	-	139,440	27,312	410,005	415,575
Unconditional transfers from other governments	140,606	1,000	-	-	-	-	141,606	137,174
Conditional transfers from other governments	128,141	72,000	252,719	8,368	37,365	-	498,593	190,528
Water rates	-	-	-	-	-	474,061	474,061	485,244
	<u>2,016,256</u>	<u>204,415</u>	<u>260,924</u>	<u>334,093</u>	<u>178,805</u>	<u>501,373</u>	<u>3,493,866</u>	<u>2,954,720</u>
Expenses								
Salaries, wages and benefits	246,591	-	267,993	115,000	148,530	189,794	967,908	891,448
Contracted services	50,360	217,894	-	50,025	-	6,195	324,474	326,204
Other operating	551,691	91,001	164,683	121,305	63,183	259,510	1,251,373	1,198,224
Other boards and agencies	15,033	-	-	4,262	6,200	-	25,495	25,354
Interest	6,058	-	1,556	4,826	-	29,052	41,492	44,062
Accretion	25,340	2,008	-	-	-	-	27,348	26,451
Amortization	30,711	37,803	129,802	79,201	19,691	65,163	362,271	360,092
	<u>925,784</u>	<u>348,706</u>	<u>564,034</u>	<u>374,619</u>	<u>237,504</u>	<u>549,714</u>	<u>3,000,361</u>	<u>2,871,835</u>
Annual Surplus	\$ 1,090,472	\$ (144,291)	\$ (303,110)	\$ (40,526)	\$ (60,699)	\$ (48,341)	\$ 493,505	\$ 82,885

Town of Mulgrave
Schedules to Consolidated Statement of Financial Activities

19

Year Ended March 31, 2025

(Unaudited)	2025	2025	2024
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
REVENUE			
Taxes			
General			
Residential	\$ 374,872	\$ 374,872	\$ 356,370
Resource	21,356	21,365	19,660
Commercial	1,123,564	1,122,157	1,085,318
Forestry	269	193	269
	<u>1,520,061</u>	<u>1,518,587</u>	<u>1,441,617</u>
By services			
Sanitary sewer	271,972	275,532	251,928
Hydrants	131,242	131,177	124,633
Solid waste	50,025	50,193	47,277
	<u>453,239</u>	<u>456,902</u>	<u>423,838</u>
Other			
Aliant	2,500	2,472	2,100
Deed transfer	5,000	94,349	5,965
Wind turbines	16,883	16,884	16,717
	<u>24,383</u>	<u>113,705</u>	<u>24,782</u>
Transferred to Regional Centre for Education	(142,918)	(142,918)	(133,703)
Transfer to correctional services	-	-	(7,992)
Surplus (deficit) of Housing Authority	-	9,901	(35,000)
	<u>(142,918)</u>	<u>(133,017)</u>	<u>(176,695)</u>
	<u>\$ 1,854,765</u>	<u>\$ 1,956,177</u>	<u>\$ 1,713,542</u>
Payments in lieu of taxes			
Province of NS	\$ 122	\$ 122	\$ 122
CBC	1,155	1,315	1,248
NSLC	11,287	11,987	11,287
	<u>\$ 12,564</u>	<u>\$ 13,424</u>	<u>\$ 12,657</u>
Revenue from own sources			
Recreation programs & fees	\$ 41,578	\$ 46,061	\$ 40,793
Recreation fundraising & community rentals	102,130	100,518	108,593
Licenses, permits & fines	600	793	2,103
Rent	35,960	35,960	35,960
Public works	1,300	8,205	1,525
Interest on taxes	34,620	26,525	81,569
Bank interest	45,000	117,532	130,379
Contribution from MVFD	-	38,808	-
Miscellaneous	7,800	35,603	14,653
	<u>\$ 268,988</u>	<u>\$ 410,005</u>	<u>\$ 415,575</u>
Unconditional transfers			
Municipal Financial Capacity	\$ 132,987	\$ 132,987	\$ 127,508
HST Offset	6,000	6,565	7,647
NSPC	1,140	1,054	1,019
Emergency measures - 911	1,000	1,000	1,000
	<u>\$ 141,127</u>	<u>\$ 141,606</u>	<u>\$ 137,174</u>

**Town of Mulgrave
Schedules to Consolidated Statement of Financial Activities**

20

Year Ended March 31
(Unaudited)

	2025	2025	2024
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Conditional transfers			
Visitor Information Centre	\$ 12,075	\$ 13,854	\$ 10,843
Federal Gas Tax	-	61,401	62,077
Health and Wellness	10,000	11,250	15,000
Federal & Provincial grants	-	390,855	-
Recreation grants	24,000	12,261	16,310
Fuel tax rebate	900	869	872
Waste Treatment & Diversion	-	8,103	85,426
	<u>\$ 46,975</u>	<u>\$ 498,593</u>	<u>\$ 190,528</u>
EXPENDITURES			
General government services			
Legislative			
Council remuneration	\$ 47,210	\$ 46,889	\$ 45,613
Council travel & expenses	1,700	1,973	619
Elections	8,000	3,003	-
Other	1,700	2,920	730
	<u>58,610</u>	<u>54,785</u>	<u>46,962</u>
Administration			
Salaries & benefits	151,629	159,608	143,352
Travel & training	2,600	2,027	1,909
Office	18,100	18,683	18,100
Information technology	31,000	32,015	28,815
Contract services			
Legal	39,813	5,253	7,723
Audit	22,000	24,778	20,532
Consulting	20,000	20,329	40,350
Insurance	19,900	20,164	19,093
Taxation			
Exemptions and reductions	300,953	300,953	287,438
PVSC	15,033	15,033	14,988
Bad debts and collection expenses (net of recoveries)	12,000	15,719	13,195
Other	22,900	7,540	19,891
	<u>655,928</u>	<u>622,102</u>	<u>615,386</u>
Municipal property			
Post office	55,057	64,764	28,393
Mulgrave Memorial Centre	133,356	120,685	135,148
Marina	2,100	1,340	1,277
	<u>190,513</u>	<u>186,789</u>	<u>164,818</u>
Amortization	30,710	30,710	34,562
Accretion	25,340	25,340	24,507
Interest	6,600	6,058	6,396
	<u>\$ 967,701</u>	<u>\$ 925,784</u>	<u>\$ 892,631</u>

Town of Mulgrave
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31
(Unaudited)

	2025	2025	2024
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Protective services			
Police - RCMP	\$ 213,911	\$ 213,911	\$ 201,495
Fire Department			
Honoraria & training	9,350	12,386	6,068
Building	45,000	40,145	46,299
Vehicles	21,500	23,113	15,392
Equipment	11,000	2,670	4,720
Other	3,700	7,776	2,617
	<u>90,550</u>	<u>86,090</u>	<u>75,096</u>
Emergency measures	4,500	4,310	3,000
Animal control	500	600	815
Building inspection	3,000	3,983	2,806
Amortization	37,804	37,804	37,804
Accretion	2,008	2,008	1,944
	<u>\$ 352,273</u>	<u>\$ 348,708</u>	<u>\$ 322,980</u>
Transportation services			
Public works			
Salaries, wages & benefits	\$ 236,681	\$ 242,436	\$ 224,075
Personal protective equipment	4,000	5,195	699
Telephone	1,418	784	1,409
Insurance	22,590	24,789	21,935
Workshop	12,050	11,672	9,345
Vehicles & equipment	52,500	38,683	62,261
	<u>329,239</u>	<u>323,559</u>	<u>319,724</u>
Roads			
Snow removal	64,304	71,038	62,215
Maintenance	15,500	10,329	12,231
	<u>79,804</u>	<u>81,367</u>	<u>74,446</u>
Street lights	29,650	27,750	27,972
Amortization	129,802	129,802	128,976
Interest	1,556	1,556	1,779
	<u>\$ 570,051</u>	<u>\$ 564,034</u>	<u>\$ 552,897</u>
Environmental health services			
Wastewater operations			
Salaries and benefits	\$ 125,413	\$ 115,000	\$ 106,958
Training & safety	6,300	6,251	3,108
Insurance	10,000	10,578	9,328
Power	40,000	42,034	39,112
Maintenance	29,100	22,145	22,721
	<u>210,813</u>	<u>196,008</u>	<u>181,227</u>

**Town of Mulgrave
Schedules to Consolidated Statement of Financial Activities**

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**Year Ended March 31
(Unaudited)**

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
Environmental health services (cont'd)			
Solid waste			
Contracted services	50,025	50,082	48,166
Tipping fees	28,500	40,240	27,322
ERSWM	<u>4,262</u>	<u>4,262</u>	<u>4,166</u>
	82,787	94,584	79,654
Amortization	79,201	79,201	77,003
Interest	<u>4,826</u>	<u>4,826</u>	<u>5,143</u>
	<u>\$ 377,627</u>	<u>\$ 374,619</u>	<u>\$ 343,027</u>
Recreation and cultural services			
Administration			
Salaries and benefits	\$ 76,207	\$ 83,472	\$ 72,445
Training, conferences, dues	4,400	3,628	5,094
Office	<u>900</u>	<u>68</u>	<u>237</u>
	<u>81,507</u>	<u>87,168</u>	<u>77,776</u>
Facilities			
Pool operations	39,580	36,459	35,254
Parks and fields	28,239	29,753	26,545
Tennis courts	600	538	538
Visitor Information Centre	12,075	13,854	10,843
Trails	2,000	-	261
Insurance	<u>6,800</u>	<u>7,147</u>	<u>6,552</u>
	89,294	87,751	79,993
Programs	48,300	29,294	45,434
Libraries and museums			
Regional Library Board	6,705	6,200	6,200
Museum grant	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>
	14,205	13,700	13,700
Amortization	<u>19,590</u>	<u>19,590</u>	<u>18,247</u>
	<u>\$ 252,896</u>	<u>\$ 237,503</u>	<u>\$ 235,150</u>

**Town of Mulgrave
Water Operating Fund
Statement of Financial Activities**

**Year ended March 31
(Unaudited)**

	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
Operating revenue			
Metered sales	\$ 260,000	\$ 217,433	\$ 229,154
Flat rate sales	220,000	217,872	218,509
Sales to boats	25,500	13,999	34,303
Benefit cost sharing recovery	400	825	348
Interest earned & penalties on rates	<u>3,200</u>	<u>23,932</u>	<u>2,930</u>
	509,100	474,061	485,244
Public fire protection	<u>107,793</u>	<u>131,242</u>	<u>107,793</u>
	<u>616,893</u>	<u>605,303</u>	<u>593,037</u>
Operating expenditures			
Source of supply	1,690	1,740	1,690
Power & pumping	52,398	51,484	50,929
Purification	166,556	153,164	149,711
Transmission & distribution	54,188	49,335	47,461
Administration & general	106,347	111,535	93,267
Depreciation	65,000	65,163	63,500
Interest	<u>29,053</u>	<u>29,053</u>	<u>30,744</u>
	475,232	461,474	437,302
Property taxes	<u>87,272</u>	<u>87,272</u>	<u>87,272</u>
	<u>562,504</u>	<u>548,746</u>	<u>524,574</u>
Operating profit	<u>54,389</u>	<u>56,557</u>	<u>68,463</u>
Non-operating revenue			
Amortization of deferred contributions	<u>25,611</u>	<u>25,611</u>	<u>25,611</u>
	<u>25,611</u>	<u>25,611</u>	<u>25,611</u>
Non-operating expenditures			
Principal repayments	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
Excess of revenue over expenditure	<u>\$ -</u>	<u>\$ 2,168</u>	<u>\$ 14,074</u>
Accumulated Surplus			
Beginning of year	\$ 455,353	\$ 455,353	\$ 441,279
End of year	<u>\$ 455,353</u>	<u>\$ 457,521</u>	<u>\$ 455,353</u>

**Town of Mulgrave
Water Operating Fund
Statement of Financial Position**

**March 31
(Unaudited)**

2025

2024

Financial Assets

Receivables

Rates	\$ 60,819	\$ 74,844
Commodity taxes	8,146	8,277
Own funds		
General operating	<u>412,843</u>	<u>395,739</u>
	<u>481,808</u>	<u>478,860</u>

Liabilities

Trade payables and accruals	29,904	28,641
Deferred revenue	<u>14,948</u>	<u>13,256</u>
	<u>44,852</u>	<u>41,897</u>

Net Financial Assets

	<u>436,956</u>	<u>436,963</u>
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Non-financial Assets

Inventory	13,655	11,978
Prepaid expenses	<u>6,908</u>	<u>6,412</u>
	<u>20,563</u>	<u>18,390</u>

Accumulated Surplus

	<u>\$ 457,521</u>	<u>\$ 455,353</u>
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On behalf of the Town

Mayor

CAO

**Town of Mulgrave
Water Operating Fund
Schedule to Statement of Financial Activities**

**Year ended March 31
(Unaudited)**

	2025	2025	2024
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Operating expenditures			
Power & pumping			
Electricity	47,500	50,195	50,080
Maintenance	<u>4,898</u>	<u>1,289</u>	<u>849</u>
	<u>52,398</u>	<u>51,484</u>	<u>50,929</u>
Purification			
Salaries & benefits	96,156	84,902	84,122
Training	3,000	631	2,586
Chemicals	39,800	37,999	37,909
Testing	22,300	22,696	21,142
Other	<u>5,300</u>	<u>6,936</u>	<u>3,952</u>
	<u>166,556</u>	<u>153,164</u>	<u>149,711</u>
Transmission & distribution			
Salaries and benefits	40,888	42,142	38,533
Maintenance	6,000	2,412	3,709
Vehicle	<u>7,300</u>	<u>4,781</u>	<u>5,219</u>
	<u>54,188</u>	<u>49,335</u>	<u>47,461</u>
Administration & general			
Salaries and benefits	57,747	62,750	51,625
Audit	6,000	6,195	5,133
Insurance	19,900	20,172	18,360
Office & contracted office	<u>22,700</u>	<u>22,418</u>	<u>18,149</u>
	<u>106,347</u>	<u>111,535</u>	<u>93,267</u>

**Town of Mulgrave
Water Capital Fund
Statement of Financial Position**

**March 31
(Unaudited)**

	2025	2024
Financial Assets		
Cash and cash equivalents	\$ 675,662	\$ 608,799
Financial Liabilities		
Holdbacks payable	-	5,496
Long-term debt	960,000	1,040,000
	<u>960,000</u>	<u>1,045,496</u>
Net Debt	<u>(284,338)</u>	<u>(436,697)</u>
Non-financial Assets		
Tangible capital assets	5,319,568	5,319,568
Less: accumulated depreciation	(789,861)	(724,698)
Debenture discount	6,782	7,751
Deferred contributions	(2,381,839)	(2,407,450)
	<u>2,154,650</u>	<u>2,195,171</u>
Investment in Capital Assets	<u>\$ 1,870,312</u>	<u>\$ 1,758,474</u>

On behalf of the Town



Mayor



CAO

**Town of Mulgrave
Water Capital Fund
Statement of Investment in Capital Assets**

Year Ended March 31 (Unaudited)	2025	2024
Balance, beginning of year	\$ 1,758,474	\$ 1,649,798
Amortization of discount on debentures	(969)	(596)
Interest earned	27,311	29,272
Other revenue	5,496	-
Term debt retired	<u>80,000</u>	<u>80,000</u>
Balance, end of year	<u>\$ 1,870,312</u>	<u>\$ 1,758,474</u>

Statement of Deferred Contributions

Year Ended March 31 (Unaudited)	2025	2024
Balance, beginning of year	\$ 2,407,450	\$ 2,433,061
Amortization	<u>(25,611)</u>	<u>(25,611)</u>
Balance, end of year	<u>\$ 2,381,839</u>	<u>\$ 2,407,450</u>

Statement of Depreciation Fund Cash

Year Ended March 31 (Unaudited)	2025	2024
Cash, beginning of year	\$ 608,799	\$ 572,373
Transfers from other funds	39,552	37,889
Interest earned	27,311	29,272
Purchase of capital assets	<u>-</u>	<u>(30,735)</u>
Balance, end of year	<u>\$ 675,662</u>	<u>\$ 608,799</u>

