

**Town of Antigonish
Consolidated Financial Statements**

March 31, 2025

Town of Antigonish
Consolidated Financial Statements
For the year ended March 31, 2025

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To the Mayor and Council of Town of Antigonish:

Opinion

We have audited the consolidated financial statements of Town of Antigonish (the "Town") on pages 2 - 23, which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations, change in net debt 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 debt 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.

Supplementary Information

Our 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 24 - 33 is presented for 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 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Town as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes 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
May 25, 2026

MNP LLP
Chartered Professional Accountants

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Town of Antigonish (the "Town") 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. 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 MNP LLP, independent external auditors appointed by the Town. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.



Mr. Randy Delorey
Chief Administrative Officer

Town of Antigonish
Consolidated Statement of Financial Position
As at March 31, 2025

| | 2025 | 2024 |
|--|---------------|---------------|
| FINANCIAL ASSETS | | |
| Cash (note 2) | \$ 4,613,757 | \$ 7,575,552 |
| Taxes receivable (note 3) | 266,045 | 189,379 |
| Other receivables (note 4) | 14,608,697 | 11,797,743 |
| | 19,488,499 | 19,562,674 |
| FINANCIAL LIABILITIES | | |
| Accounts payable and accrued liabilities | 11,182,565 | 8,957,218 |
| Asset retirement obligation (note 5) | 2,866,737 | 3,007,377 |
| Deferred revenue | 4,906,730 | 4,067,147 |
| Temporary financing (note 6) | - | 2,410,000 |
| Long-term debt (note 7) | 27,560,248 | 26,903,947 |
| | 46,516,280 | 45,345,689 |
| NET DEBT | (27,027,781) | (25,783,015) |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets (note 8) | 71,722,095 | 63,010,498 |
| Inventory and prepaid expenses | 4,729,387 | 2,624,117 |
| | 76,451,482 | 65,634,615 |
| ACCUMULATED SURPLUS (note 9) | \$ 49,423,701 | \$ 39,851,600 |

Contingencies (note 15)

See accompanying notes to consolidated financial statements.

On behalf of the Town of Antigonish:

 Mayor


 Chief Administrative Officer

Town of Antigonish
Consolidated Statement of Operations
For the year ended March 31, 2025

| | Budget (Note 18) | 2025 | 2024 |
|--|---------------------|----------------------|----------------------|
| REVENUES | | | |
| Taxes | \$ 6,177,942 | \$ 6,245,028 | \$ 5,454,529 |
| Grants in lieu of taxes | 1,206,255 | 1,204,343 | 1,111,664 |
| Services provided to other governments | 690,988 | 788,293 | 474,477 |
| Unconditional transfers from other governments | 243,708 | 766,072 | 1,061,649 |
| Conditional transfers from other governments | - | 382,180 | 381,508 |
| Capital grants | 12,469,030 | 8,868,718 | 2,069,958 |
| Sale of services | 24,043,623 | 23,878,442 | 21,895,720 |
| Other revenue from own sources | 137,095 | 134,120 | 158,408 |
| Interest and service charge | 20,000 | 341,337 | 347,615 |
| Other transfers | 3,000 | - | 3,000 |
| | 44,991,641 | 42,608,533 | 32,958,528 |
| EXPENSES | | | |
| General government services | 2,031,961 | 2,175,318 | 1,932,094 |
| Protective services | 2,437,769 | 2,774,855 | 2,293,395 |
| Transportation services | 1,985,837 | 2,608,609 | 2,647,675 |
| Environmental health services | 1,153,887 | 2,033,125 | 1,305,897 |
| Environmental development services | 899,315 | 1,673,143 | 1,226,964 |
| Recreation and cultural services | 732,613 | 818,829 | 836,628 |
| Electric utility expenses | 14,636,229 | 13,863,819 | 14,236,410 |
| Water utility expenses | 1,540,264 | 1,411,759 | 1,171,588 |
| AREA expenses | 5,752,577 | 5,676,975 | 5,927,151 |
| | 31,170,452 | 33,036,432 | 31,577,802 |
| ANNUAL SURPLUS | 13,821,189 | 9,572,101 | 1,380,726 |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | | 39,851,600 | 38,470,874 |
| ACCUMULATED SURPLUS, END OF YEAR | | \$ 49,423,701 | \$ 39,851,600 |

See accompanying notes to consolidated financial statements.

Town of Antigonish
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2025

| | Budget (Note 18) | 2025 | 2024 |
|--|---------------------|-----------------|-----------------|
| ANNUAL SURPLUS | \$ 13,821,189 | \$ 9,572,101 | \$ 1,380,726 |
| Other non-financial assets | | | |
| Amortization of tangible capital assets | | 3,125,432 | 3,030,404 |
| Additions to tangible capital assets | (24,482,681) | (11,986,038) | (5,100,864) |
| Loss on disposal of tangible capital assets | | 149,009 | 35,055 |
| Increase in inventory, prepaid expenses and work in progress | | (2,105,270) | (887,762) |
| DECREASE IN NET DEBT | (10,661,492) | (1,244,766) | (1,542,441) |
| NET DEBT, BEGINNING OF YEAR | | (25,783,015) | (24,240,574) |
| NET DEBT, END OF YEAR | | \$ (27,027,781) | \$ (25,783,015) |

See accompanying notes to consolidated financial statements.

Town of Antigonish
Consolidated Statement of Cash Flows
Year ended March 31, 2025

| | 2025 | 2024 |
|---|--------------|--------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Annual surplus | \$ 9,572,101 | \$ 1,380,726 |
| Add | | |
| Amortization of tangible capital assets | 3,125,432 | 3,030,404 |
| Accretion of asset retirement obligation | 140,640 | 103,863 |
| Loss on disposal of tangible capital assets | 149,009 | 35,055 |
| Change in working capital | | |
| Taxes receivable | (76,666) | (7,871) |
| Other accounts receivable | (2,810,954) | (2,265,906) |
| Accounts payable and accrued liabilities | 2,225,347 | (654,419) |
| Deferred revenue | 839,583 | 3,277,836 |
| Asset retirement obligation | (281,280) | - |
| Inventory, prepaid expenses and work in progress | (2,105,270) | (887,762) |
| | 10,777,942 | 4,011,926 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long-term debt issued | 2,503,599 | - |
| Long-term debt redeemed | (1,847,298) | (1,814,655) |
| Term financing issued | - | 910,000 |
| Term financing redeemed | (2,410,000) | - |
| | (1,753,699) | (904,655) |
| CASH FLOWS FROM CAPITAL ACTIVITIES | | |
| Additions to tangible capital assets | (11,986,038) | (5,100,864) |
| DECREASE IN CASH AND CASH EQUIVALENTS | (2,961,795) | (1,993,593) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 7,575,552 | 9,569,145 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | \$ 4,613,757 | \$ 7,575,552 |

See accompanying notes to consolidated financial statements.

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These consolidated financial statements of Town of Antigonish (the "Town") have been prepared, in all material respects, in accordance with Canadian public sector accounting standards.

(b) Basis of consolidation

These consolidated financial statements reflect the assets, liabilities, revenue, expenses and changes in fund balances of all resources of the Town. The Town is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Town and that are owned or controlled by the Town. Inter-fund and inter-corporate balances and transactions have been eliminated. The entities included are as follows:

- General Operating and Capital Funds
- Water Operating and Capital Funds
- Electric Operating and Capital Funds
- Reserve Funds

Consistent with generally accepted accounting principles for government partnerships, the Town has accounted for Alternative Resource Energy Authority (AREA) using the proportionate consolidation method: Alternative Resource Energy Authority (AREA) – 63% (2024 – 63%).

(c) Segment information

The Town of Antigonish is a diversified entity that provides a wide range of services to its residents. For management reporting purposes, the Town's operations and activities are organized and reported by fund. This presentation is in accordance with the Provincial Financial Reporting and Accounting Manual and was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Town services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

This segment is responsible for the overall local government administration. Its tasks include direction for Town services, such as planning, engineering, finance, and information technology in adherence to the Municipal Government Act.

Protective services

This segment is primarily responsible for police, fire protection and bylaw administration for its residents. The Town engages the services of the volunteer fire department in order to fulfill its fire protection role. The Town collects a rate for the fire department.

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Transportation services

The Town is responsible for the maintenance of certain local roads, sidewalks and street lights within its jurisdiction.

Environmental health services

This segment is responsible for the maintenance and operations of waste and sewer services provided to residents and other customers. Its tasks include the provision of waste collection through contract, recycling and composting.

Environmental development services

This segment is responsible for the issuance of development permits and approving subdivision applications.

Recreation and cultural services

This segment is responsible for promoting and offering recreation opportunities and activities to the Town's residents, specializing in maintaining and assisting recreational facilities within the Town such as recreation facilities and the library.

Electric Utility

This segment manages electric distribution facilities and services within the Town and includes activities such as transmission and distribution.

Water Utility

This segment manages water treatment and distribution facilities and services within the Town and includes activities such as plant operation and pumping, water treatment, transmission and distribution.

AREA

Alternative Resource Energy Authority is an Intermunicipal Authority owned by the Town's of Antigonish, Berwick and Mahone Bay. The Town of Antigonish owns 63% of AREA. The segment represents the Town's share of revenue and expenses based on the Town's share of ownership.

(d) School boards

The assets, liabilities, taxation and other revenue and expenses with respect to the operations of the school boards are not reflected in these consolidated financial statements as they are provincial government entities.

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) School boards (continued)

School boards in Nova Scotia were created by the Province under provisions in the Education Act, and, under provincial statute, every Town is required to make a mandatory contribution to its school board. The mandatory contribution is set at the value of the Education Rate, set by the Province each year, multiplied by the previous year's Uniform Assessment. The funding for this contribution to the Strait Regional School Board are recovered by the Town by an area rate levied on the assessed value of the taxable property and business occupancy assessments and is shown on the consolidated statement of financial activities as a reduction of taxation revenue.

(e) Fund accounting

The resources and operations of the Town are comprised of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance. Supporting schedules to the consolidated financial statements are included to show the financial activities and change in the balance of each fund.

(f) Basis of accounting

Revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

(g) Cash and cash equivalents

Cash and cash equivalents is defined as cash on hand and on deposit at banks net of any outstanding cheques or deposits.

(h) 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.

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments (continued)

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 operations. 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.

(i) Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal or contractual obligation for the Town to incur retirement costs in relation to a tangible capital asset (or component thereof), 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 best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2025. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset. For asset retirement obligations associated with tangible capital assets no longer in productive use, the Town recognizes an expense of the same amount as the liability.

At each financial reporting date, the Town reviews the carrying amount of the liability. The Town recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The Town continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Tangible capital assets

Tangible capital assets are reported in the statement of financial position at cost net of accumulated amortization. They are amortized on a straight-line basis over their estimated useful lives at the following rates:

| General Fund | Basis | Rate |
|--|---------------|-------------|
| Buildings | Straight-line | 2.5 – 5% |
| Office equipment | Straight-line | 20% |
| Heavy equipment | Straight-line | 4 – 10% |
| Canals and bridges | Straight-line | 2.5% |
| Paving, curbs and sidewalks | Straight-line | 4 – 10% |
| Sewer systems | Straight-line | 2% |
| Recreation facilities | Straight-line | 2 – 10% |
| Electric transmission and distribution | Straight-line | 2.4 – 12.5% |
| Water purification | Straight-line | 4 – 5% |
| Water transmission and distribution | Straight-line | 1.33 – 20% |
| AREA | Straight-line | 2 – 10% |

The amortization charge in the electric operating fund is required to be transferred to a special bank account in the electric capital fund which is used to help fund replacement of existing equipment. The amortization charge in water operating fund is required to be transferred to a special bank account in the water capital fund which is used to help fund replacement of existing equipment, or subject to approval by the Utility and Review Board, to repay principal of capital debt.

(k) Government transfers

The Town recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Town recognizes revenues as the liability is settled.

(l) Taxation and other revenues

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 Council, incorporating amounts to be raised for local services and the requisition made by the Province in respect of education taxes and other mandatory contributions. Taxation revenues are recorded at the time tax billings are due. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the results of the appeal process are known. An allowance for unresolved assessment appeals is also provided.

Revenue from services to other governments, sale of services and other revenues are recognized at the time when services are performed and/or when earned as long as amounts can be reasonably estimated, and collection is reasonably assured.

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Deferred revenue

Deferred revenue represents user charges, prepayment of taxes, and other fees that have been collected, for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed.

(n) 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.

(o) Use of estimates

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingencies and the reported amounts of revenue and expenses in the consolidated financial statements and accompanying notes.

Amortization is based on the estimated useful lives of tangible 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.

Asset retirement obligations are recognized based upon assumptions and estimates related to the amount and timing of costs for future removal and site restoration.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues over expenses in the years in which they become known.

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

2. CASH

| | 2025 | 2024 |
|------------------------|---------------------|---------------------|
| Cash | | |
| General operating fund | \$ (8,757,456) | \$ (3,261,806) |
| Water capital fund | 482,737 | 257,152 |
| Electric capital fund | 4,459,337 | 2,128,627 |
| Capital reserve fund | 6,452,377 | 5,262,611 |
| Operating reserve fund | 1,672,032 | 2,056,236 |
| AREA | 304,730 | 1,132,732 |
| | \$ 4,613,757 | \$ 7,575,552 |

3. TAXES RECEIVABLE

| | 2025 | 2024 |
|---|-------------------|-------------------|
| Balance, beginning of year | \$ 231,770 | \$ 194,274 |
| Current year's levy of property taxes and rates | 6,571,724 | 6,037,259 |
| Subtotal | 6,803,494 | 6,231,533 |
| Less | | |
| Current year's collections | 6,434,763 | 5,993,163 |
| Reduced taxes | 9,618 | 6,600 |
| | 6,444,381 | 5,999,763 |
| Gross taxes receivable, end of year | 359,113 | 231,770 |
| Less allowance for uncollectible taxes | (93,068) | (42,391) |
| Taxes receivable, net | \$ 266,045 | \$ 189,379 |

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

4. OTHER RECEIVABLES

| | 2025 | 2024 |
|-----------------------------------|----------------------|----------------------|
| Water rates | \$ 384,269 | \$ 147,324 |
| Electric rates | 2,997,770 | 2,476,535 |
| Sewer rates | 211,031 | 106,987 |
| Harmonized sales taxes receivable | 525,731 | 120,830 |
| Province of Nova Scotia | 144,828 | 2,980,649 |
| Other | 10,571,171 | 6,190,839 |
| | 14,834,800 | 12,023,164 |
| Allowance | (226,103) | (225,421) |
| | \$ 14,608,697 | \$ 11,797,743 |

5. ASSET RETIREMENT OBLIGATION

The Town's asset retirement obligation consists of the liability for the remediation of contaminants present within a number of buildings owned by the Town and a requirement to decommission a windfarm at the end of its useful life. The contaminants in buildings represent a health hazard upon demolition and therefore there is a legal obligation for removal of these contaminants on decommissioning. These buildings and wind farm have expected useful lives of 25 years. Estimated costs have been discounted to the present value using a discount rate of 3.5% to 4.43% per annum.

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

| | 2025 | 2024 |
|--|---------------------|---------------------|
| Opening balance | \$ 3,007,377 | \$ 2,903,514 |
| Remeasurement of asset retirement obligation | (281,280) | - |
| Accretion expense | 140,640 | 103,863 |
| | \$ 2,866,737 | \$ 3,007,377 |

6. TEMPORARY FINANCING

The Town has an operating line of credit with Scotiabank of \$Nil (2024 - \$1,000,000) at an annual interest rate of prime minus 1% per annum, repayable on demand of which \$Nil was used at March 31, 2025 (2024 - \$Nil).

The Town has bridge financing with Scotiabank during the year of \$2,401,000, with interest only payments at an annual interest rate of prime minus 1% per annum, with principal and remaining interest due in full August 31, 2025. The Town intends to refinance the bridge financing with term debt upon maturity. There was \$Nil (2024 - \$Nil) drawn during the current fiscal year.

In 2024, the Town had bridge financing with Scotiabank during the year of \$2,410,000, with interest only payments at an annual interest rate of prime minus 1% per annum. The amount was repaid during the year.

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

7. LONG-TERM DEBT

The schedule of long-term debt details the outstanding balance, terms and conditions related to each debt agreement.

Principal payments required in each of the next five years on debt held as of March 31, 2025 are as follows:

| | |
|------------|------------|
| 2026 | 1,974,000 |
| 2027 | 2,013,000 |
| 2028 | 1,868,000 |
| 2029 | 1,796,000 |
| 2030 | 1,901,000 |
| Thereafter | 18,008,248 |

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

| | 2025 | | | | | | | | | | 2024 |
|-----------------------------------|------------------------------|---------------|---------------------------------|------------------------|--------------------------------------|--------------|-----------|-----------------------------|-------------------|-------------------|------|
| | Cost Beginning of Year | Additions | Disposals and Write-downs | Cost End of Year | Amortization Beginning of Year | Additions | Disposals | Amortization End of Year | Net Book Value | Net Book Value | |
| 8. TANGIBLE CAPITAL ASSETS | | | | | | | | | | | |
| General government services | \$ 259,536 | \$ - | \$ - | \$ 259,536 | \$ - | \$ 90,716 | \$ - | \$ - | \$ 259,536 | \$ 259,536 | |
| Land | 8,450,948 | 1,106,026 | - | 9,556,974 | 680,230 | 90,716 | - | 780,946 | 8,776,028 | 7,760,718 | |
| Buildings | 191,705 | - | - | 191,705 | 147,441 | 9,073 | - | 156,514 | 35,191 | 44,264 | |
| Plant and equipment | 211,702 | 10,654 | - | 222,356 | 100,924 | 4,547 | - | 105,471 | 116,885 | 110,778 | |
| Buildings | 1,890,932 | 41,141 | - | 2,032,073 | 1,557,048 | 98,936 | - | 1,655,984 | 376,088 | 433,884 | |
| Plant and equipment | 368,578 | - | - | 368,578 | 123,718 | 15,684 | - | 139,400 | 229,179 | 244,863 | |
| Buildings | 18,332,967 | 874,990 | 149,009 | 19,058,948 | 8,188,183 | 661,785 | - | 8,849,968 | 10,208,980 | 10,144,784 | |
| Plant and equipment | 64,809 | - | - | 64,809 | - | - | - | - | 64,809 | 64,809 | |
| Land | 9,711,844 | 162,001 | - | 9,873,845 | 5,581,045 | 210,362 | - | 5,791,407 | 4,082,438 | 4,130,799 | |
| Plant and equipment | 4,403,910 | 1,455,315 | - | 5,859,225 | 1,570,155 | 142,831 | - | 1,712,966 | 4,146,239 | 2,833,755 | |
| Recreation and cultural services | 15,022,368 | 2,706,141 | - | 17,728,509 | 7,014,599 | 410,489 | - | 7,425,088 | 10,303,421 | 8,007,768 | |
| Plant and equipment | 8,970,908 | 5,868,639 | - | 14,840,547 | 5,540,679 | 258,732 | - | 5,799,411 | 9,041,136 | 3,430,230 | |
| Water utility assets | 35,153,215 | (239,869) | - | 34,913,346 | 9,608,905 | 1,222,277 | - | 10,831,182 | 24,082,164 | 25,544,310 | |
| Electric utility assets | \$ 103,133,423 | \$ 11,986,038 | \$ 149,009 | \$ 114,970,452 | \$ 40,122,925 | \$ 3,125,432 | \$ - | \$ 43,248,357 | \$ 71,722,095 | \$ 63,010,498 | |
| AREA assets | | | | | | | | | | | |

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

9. ACCUMULATED SURPLUS

| | 2025 | 2024 |
|-------------------------|----------------------|----------------------|
| General operating fund | \$ - | \$ - |
| Water operating fund | (190,618) | (351,158) |
| Electric operating fund | 1,094,473 | 567,358 |
| Capital reserve fund | 2,625,153 | 2,552,087 |
| Operating reserve fund | 2,219,414 | 2,458,550 |
| General capital fund | 23,072,602 | 22,275,246 |
| Water capital fund | 7,943,916 | 7,784,920 |
| Electric capital fund | 13,493,221 | 5,551,605 |
| AREA | (834,460) | (987,008) |
| | \$ 49,423,701 | \$ 39,851,600 |

10. GOVERNMENT PARTNERSHIPS

Alternative Resource Energy Authority (AREA) is a partnership between the towns of Antigonish, Berwick and Mahone Bay. The individual towns operate electric utilities and distribute power to customers within their service area. AREA was primarily created to construct and operate a windfarm facility in Ellershouse, Nova Scotia. The Town of Antigonish receives 63% of the net income, the Town of Berwick receives 27% and the Town of Mahone Bay receives 10%. The revenues, expenses, assets and liabilities are shared between the municipalities based on each municipality's share of the power generated.

A summary of financial information for AREA for the fiscal years 2025 and 2024 as per their audited financial statements are as follows:

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

10. GOVERNMENT PARTNERSHIPS (CONTINUED)

Consolidated Statement of Financial Position

March 31, 2025, with comparative figures for 2024

| | 2025 | 2024 (Restated) |
|------------------------------|----------------|--------------------|
| FINANCIAL ASSETS | \$ 6,205,589 | \$ 7,884,703 |
| FINANCIAL LIABILITIES | | |
| Long-term debt | 36,577,855 | 38,755,630 |
| Other financial liabilities | 9,399,244 | 11,114,238 |
| | 45,977,099 | 49,869,868 |
| NET FINANCIAL DEBT | (39,771,510) | (41,985,164) |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets | 38,225,657 | 40,194,478 |
| Inventory | 75,628 | 75,628 |
| Prepaid expenses | 145,687 | 148,380 |
| | 38,446,972 | 40,418,486 |
| NET DEFICIT | \$ (1,324,538) | \$ (1,566,678) |

Consolidated Statement of Operations

March 31, 2025, with comparative figures for 2024

| | 2025 | 2024 (Restated) |
|---------------------------|--------------|--------------------|
| TOTAL REVENUE | \$ 9,452,842 | \$ 9,767,774 |
| TOTAL EXPENDITURES | 9,011,072 | 9,566,084 |
| ANNUAL SURPLUS | \$ 441,770 | \$ 201,690 |

Transactions with AREA

Included in these consolidated financial statements is cost of electricity purchased from AREA of \$4,185,844 (2024 - \$2,229,631). These expenses were not eliminated in the consolidation. The Town also purchased capital assets from AREA of \$Nil (2024 - \$2,627,863). In addition, included in accounts payable and accrued liabilities is an amount owing to AREA of \$740,679 (2024 - \$1,109,088) and included in other receivables is an amount receivable from AREA of \$703,607 (2024 - \$328,263).

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

11. DEFINED BENEFIT PENSION PLAN

The Town provides a defined benefit pension plan to the Town Clerk through participation in the municipal clerks' pension plan (the Plan) with nine other units. The last valuation was completed at March 31, 2020 with an extrapolation of the results completed for March 31, 2025.

The significant assumptions adopted in measuring the Town's accrued benefit obligation are as follows:

| | 2025 | 2024 |
|--------------------------------|---|---|
| Interest rate, net of expenses | 4.75% | 4.75% |
| Inflation | 2.30% | 2.30% |
| Mortality | CPM 2014 projected with mortality | CPM 2014 projected with mortality |
| | improvements | improvements |
| | scale CPM-B | scale CPM-B |

| | 2025 | 2024 |
|------------------------|------------|------------|
| Market value of assets | \$ 513,271 | \$ 481,843 |
| Estimated liability | 265,054 | 269,488 |
| | \$ 248,217 | \$ 212,355 |

During the year the Town made contributions of \$Nil (2024 - \$1,608). Benefits paid during the year were \$17,945 (2024 - \$25,148)

12. SCHOOL CAPITAL FUND

On January 1, 1982, the Town of Antigonish joined with the County of Antigonish to form the Antigonish District School Board. Under the agreement, all school buildings on hand at December 31, 1982 will remain assets of the municipal units but will be under the operational control of the Strait Regional School Board until such time as the Board no longer requires the assets for school purposes. At that time, control will revert back to the municipal units. School buildings are not included in tangible capital assets as they are not under control of the Town.

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

13. SEGMENT DISCLOSURE

| | 2025 | | | | | | | 2024 | | | |
|--|-----------------------------|---------------------|-------------------------|-------------------------------|------------------------------------|---------------------------------|------------------|---------------|------------|--------------|--------------|
| | General Government Services | Protective Services | Transportation Services | Environmental Health Services | Environmental Development Services | Recreation and Culture Services | Electric Utility | Water Utility | AREA | Total | Total |
| REVENUES | | | | | | | | | | | |
| Taxes | \$ 6,236,584 | \$ - | \$ - | \$ 8,444 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,245,028 | \$ 5,454,529 |
| Grants in lieu of taxes | 1,204,343 | - | - | - | - | - | - | - | - | 1,204,343 | 1,111,664 |
| Services provided to other governments | - | - | - | 495,208 | - | - | - | 293,085 | - | 788,293 | 474,477 |
| Unconditional transfers from other governments | - | - | - | 766,072 | - | - | - | - | - | 766,072 | 1,061,649 |
| Conditional transfers from other governments | 382,180 | - | - | - | - | - | - | - | - | 382,180 | 381,508 |
| Capital grants | - | - | - | - | - | 896,512 | 7,872,206 | - | - | 8,868,718 | 2,089,958 |
| Sale of services | 23,667 | 28,822 | 5,323 | 589,576 | - | 80,771 | 15,464,978 | 1,730,017 | 5,955,290 | 23,878,442 | 21,895,720 |
| Other revenue from own sources | 134,120 | - | - | - | - | - | - | - | - | 134,120 | 158,408 |
| Interest and service charge | 243,640 | - | - | - | - | - | 81,965 | 15,732 | - | 341,337 | 347,615 |
| Other transfers | - | - | - | - | - | - | - | - | - | - | 3,000 |
| | 8,224,534 | 28,822 | 5,323 | 1,859,300 | - | 1,077,283 | 23,419,147 | 2,038,634 | 5,955,290 | 42,608,533 | 32,958,528 |
| EXPENSES | | | | | | | | | | | |
| Salaries and benefits | 1,050,234 | 322,710 | 1,112,640 | 186,261 | 205,736 | 372,795 | 582,231 | 172,009 | 371,562 | 4,376,178 | 4,219,044 |
| Goods, services and other | 1,015,210 | 2,342,299 | 793,492 | 1,636,502 | 1,467,407 | 289,510 | 13,022,856 | 788,721 | 3,330,423 | 24,686,420 | 23,465,271 |
| Amortization | 99,789 | 103,483 | 677,469 | 210,362 | - | 142,831 | 258,732 | 410,489 | 1,222,277 | 3,125,432 | 3,030,404 |
| Interest | 10,085 | 6,363 | 25,008 | - | - | 13,683 | - | 40,540 | 752,713 | 848,402 | 863,083 |
| | 2,175,318 | 2,774,855 | 2,608,609 | 2,033,125 | 1,673,143 | 818,829 | 13,863,819 | 1,411,759 | 5,676,975 | 33,036,432 | 31,577,802 |
| ANNUAL SURPLUS (DEFICIT) | \$ 6,049,216 | \$ (2,746,033) | \$ (2,803,286) | \$ (173,825) | \$ (1,673,143) | \$ 258,454 | \$ 9,555,328 | \$ 627,075 | \$ 278,315 | \$ 9,572,101 | \$ 1,380,726 |

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

14. TRANSFERS TO PROVINCIAL BOARDS AND COMMISSIONS

The Town of Antigonish is required to share in financing the operations of various Boards and Commissions. In addition to any budgeted contributions, the Town shares in the deficits or surpluses of these Boards based on their sharing percentages. The Town's share of the deficit is to be paid in the next fiscal year, while a surplus is to be taken into the next year's estimates.

| | 2025 Contribution | 2024 Contribution |
|---------------------------------------|----------------------|----------------------|
| Antigonish Regional Housing Authority | \$ – | \$ 108,245 |
| Pictou – Antigonish Regional Library | 38,821 | 38,821 |
| Antigonish Arena Association | 97,731 | 152,356 |
| Strait Regional School Board | 1,653,508 | 1,543,991 |
| Corrections contribution | – | 73,983 |
| Assessment services contribution | 70,545 | 71,131 |

15. CONTINGENCIES

- a) The Town has guaranteed or committed to guarantee loans of the R. K. MacDonald Nursing Home Corporation to a maximum of \$4,097,897.
- b) The Town has guaranteed or committed to guarantee a 63% share of loans to Alternative Resource Energy Authority to a maximum of \$29,605,000. The Town's share of AREA loans outstanding at March 31, 2025 is \$23,044,049.
- c) The Town ceased using the Beech Hill landfill site, operated by the Municipality of the County of Antigonish, on September 30, 1996. The Town has a financial obligation to the Municipality for a portion of the costs associated with the eventual closure and post closure maintenance of that site. The Municipality has not billed the Town for these costs and consultants retained by the Town to estimate those costs have been denied access to the site. Accordingly, complete information on the nature and estimated amount of cost of closure, accrued to September 30, 1996, is not available to the Town.

The Town has not accrued an estimate of their obligation nor provided funding for closure costs which, if material, are required under Canadian public sector accounting standards.

When the amount, if any, is determined or settlement reached it will be accounted for at that time.

16. RATE OF RETURN ON BASE

Water Utility

For the year ended March 31, 2025 the Town of Antigonish Water Utility had a rate of return on rate base of 3.49% (2024 – 1.52%), as defined as operating revenue minus operating expenses divided by the rate base (cost of capital assets minus deferred assistance and accumulated depreciation).

Town of Antigonish
Notes to Consolidated Financial Statements

For the year ended March 31, 2025

16. RATE OF RETURN ON BASE (CONTINUED)

Electric Utility

For the year ended March 31, 2025 the Town of Antigonish Electric Utility had a rate of return on rate base of 10.49% (2024 – (38.82)%), as defined as the rate base (cost of tangible capital assets minus accumulated depreciation plus working capital) divided by the annual surplus.

17. FINANCIAL INSTRUMENTS

(a) Fair values

The fair value of the Town's financial instruments that are comprised of cash (cheques issued in excess of funds on deposit), accounts receivable, short-term borrowings, accounts payable and accrued liabilities and accrued interest on long-term debt approximate their carrying value due to their short-term nature. The fair value of long-term debt is based on rates currently available to the Town with similar terms and maturities and approximates its carrying value.

(b) Credit risk

The Town is exposed to credit-related losses in the event residents and entities that the Town provides services to are unable to fulfill their obligations. The large number of residents and customers minimizes the credit risk.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Town's debentures are long term with fixed range of rates thereby mitigating its interest rate risk.

It is management's opinion that the Town is not exposed to significant interest, market or credit risks arising from these financial instruments.

18. BUDGET INFORMATION

The disclosed budget information has been approved by the Mayor and Council at the council meeting on June 17, 2024.

| | 2025 |
|--|--------------|
| Approved budgeted surplus for the year | |
| General operations | \$ 1,062,165 |
| Electric utility operations | (33,558) |
| Water utility operations | 163,906 |
| AREA | 159,646 |
| Funding for capital additions | 12,469,030 |
| | \$13,821,189 |

Town of Antigonish
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

19. REMUNERATION OF MEMBERS OF COUNCIL AND CHIEF ADMINISTRATIVE OFFICER

The total remuneration paid to the Mayor, Council and Chief Administrative Officer of the Town are as follows:

| Name | Title | Annual Remuneration | Travel and Other Expenses | Total |
|------------------|--------------------------------------|------------------------|---------------------------------|-------------------|
| Sean Cameron | Mayor/ Councillor | \$ 38,842 | \$ 6,760 | \$ 45,602 |
| Laurie Boucher | Mayor | 25,144 | 7,069 | 32,213 |
| Andrew Murray | Deputy Mayor/Councillor | 27,397 | 2,387 | 29,784 |
| William Cormier | Deputy Mayor/Councillor | 16,089 | 5,531 | 21,620 |
| Diane Roberts | Councillor | 29,787 | 2,005 | 31,792 |
| Mary Farrell | Councillor | 13,698 | 1,561 | 15,259 |
| Donnie MacInnis | Councillor | 13,698 | 150 | 13,848 |
| Jack Sullivan | Councillor | 13,698 | 1,919 | 15,617 |
| Juanita Pelly | Councillor | 13,698 | 572 | 14,270 |
| Patrick McKenna | Councillor | 13,698 | 105 | 13,803 |
| Leon MacLellan | Councillor | 13,698 | 2,672 | 16,370 |
| Randy Delorey | Chief Administrative Officer | 99,454 | 6,830 | 106,284 |
| Marvin MacDonald | Interim Chief Administrative Officer | 50,394 | 1,601 | 51,995 |
| | | \$ 369,295 | \$ 39,162 | \$ 408,457 |

20. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year presentation.

Town of Antigonish
Consolidated Schedule of Long-Term Debt
For the year ended March 31, 2025

| Interest rate - % | Matures | Balance March 31, 2024 | Issued | Redeemed | Balance March 31, 2025 |
|---|---------|------------------------------|--------------|--------------|------------------------------|
| General Capital Fund | | | | | |
| Nova Scotia Municipal Finance Corporation | | | | | |
| 3.911 - 4.026 | 2026 | \$ 360,000 | \$ - | \$ 45,000 | \$ 315,000 |
| 3.347 - 3.347 | 2024 | 35,000 | - | 35,000 | - |
| 2.648 - 2.925 | 2026 | 84,900 | - | 28,300 | 56,600 |
| 2.237 - 3.209 | 2032 | 1,288,000 | - | 147,000 | 1,141,000 |
| 2.754 - 3.073 | 2027 | 240,000 | - | 60,000 | 180,000 |
| | | 2,007,900 | - | 315,300 | 1,692,600 |
| Water Capital Fund | | | | | |
| Nova Scotia Municipal Finance Corporation | | | | | |
| 1.041 - 1.489 | 2026 | 480,000 | - | 160,000 | 320,000 |
| 3.428 - 4.731 | 2044 | - | 2,503,599 | - | 2,503,599 |
| | | 480,000 | 2,503,599 | 160,000 | 2,823,599 |
| AREA | | | | | |
| Nova Scotia Municipal Finance Corporation | | | | | |
| 1.150 - 3.475 | 2030 | 10,880,778 | - | 655,578 | 10,225,199 |
| 1.200 - 3.209 | 2031 | 7,427,419 | - | 415,220 | 7,012,139 |
| 2.060 - 3.501 | 2033 | 6,107,850 | - | 301,140 | 5,806,710 |
| | | 24,416,047 | - | 1,371,998 | 23,044,049 |
| | | \$ 26,903,947 | \$ 2,503,599 | \$ 1,847,298 | \$ 27,560,248 |

Town of Antigonish
Water Utility Section
Statement of Financial Position - Operating Fund
As at March 31, 2025
(Unaudited)

| | 2025 | 2024 |
|-------------------------------|------------|------------|
| ASSETS | | |
| Receivables, net | \$ 364,435 | \$ 293,986 |
| Inventory held for use | 313,430 | 269,101 |
| | \$ 677,865 | \$ 563,087 |
| LIABILITIES | | |
| Accrued liabilities | \$ 232,888 | \$ 167,032 |
| Due to general operating fund | 635,595 | 747,213 |
| | 868,483 | 914,245 |
| ACCUMULATED DEFICIT | (190,618) | (351,158) |
| | \$ 677,865 | \$ 563,087 |

Town of Antigonish
Water Utility Section
Statement of Operations and Deficit - Operating Fund
For the year ended March 31, 2025
(Unaudited)

| | 2025 | 2024 | 2024 |
|---|-------------------|---------------------|---------------------|
| | Budget | Actual | Actual |
| OPERATING REVENUES | | | |
| Metered | \$ 1,704,722 | \$ 1,722,391 | \$ 1,461,299 |
| Public fire protection | 376,036 | 376,036 | 286,172 |
| Private fire protection | 293,085 | 293,085 | 188,679 |
| Sprinkler service and hydrants | 20,800 | 23,372 | 21,415 |
| Other operating revenue | 2,000 | 2,900 | 12,600 |
| | <u>2,396,643</u> | <u>2,417,784</u> | <u>1,970,165</u> |
| OPERATING EXPENSES | | | |
| Source of supply | 53,710 | 75,677 | 51,500 |
| Pumping and power | 78,809 | 81,161 | 77,792 |
| Water treatment | 604,687 | 639,539 | 570,843 |
| Transmission and distribution | 564,509 | 589,331 | 525,379 |
| Administration and general | 190,768 | 227,676 | 189,156 |
| Depreciation | 537,500 | 410,489 | 397,511 |
| Taxes | 40,415 | 40,242 | 39,085 |
| | <u>2,070,398</u> | <u>2,064,115</u> | <u>1,851,266</u> |
| NET OPERATING REVENUE | <u>326,245</u> | <u>353,669</u> | <u>118,899</u> |
| NON-OPERATING REVENUES | | | |
| Interest on account | - | 6,484 | 5,086 |
| Miscellaneous income | - | 927 | 435 |
| | <u>-</u> | <u>7,411</u> | <u>5,521</u> |
| NON-OPERATING EXPENSES | | | |
| Principal payments | (163,573) | (160,000) | (160,000) |
| Interest on debentures | (162,339) | (40,540) | (6,841) |
| | <u>(325,912)</u> | <u>(200,540)</u> | <u>(166,841)</u> |
| ANNUAL SURPLUS (DEFICIT) | <u>333</u> | <u>160,540</u> | <u>(42,421)</u> |
| ACCUMULATED DEFICIT, BEGINNING OF YEAR | <u>(351,158)</u> | <u>(351,158)</u> | <u>(308,737)</u> |
| ACCUMULATED DEFICIT, END OF YEAR | <u>\$ 350,825</u> | <u>\$ (190,618)</u> | <u>\$ (351,158)</u> |

Town of Antigonish
Water Utility Section
Statement of Financial Position - Capital Fund
As at March 31, 2025
(Unaudited)

| | 2025 | 2024 |
|-------------------------------|----------------------|----------------------|
| ASSETS | | |
| Depreciation fund | | |
| Restricted cash | \$ 482,737 | \$ 257,152 |
| Tangible capital assets | | |
| Utility plant and equipment | 17,728,508 | 15,022,367 |
| | \$ 18,211,245 | \$ 15,279,519 |
| LIABILITIES | | |
| Due to general operating fund | \$ 18,642 | \$ - |
| Term debenture | 2,823,599 | 480,000 |
| Deferred assistance | 155,981 | 172,665 |
| Accumulated depreciation | 7,425,088 | 7,014,599 |
| | 10,423,310 | 7,667,264 |
| ACCUMULATED SURPLUS | 7,787,935 | 7,612,255 |
| | \$ 18,211,245 | \$ 15,279,519 |

Town of Antigonish
Water Utility Section
Statement of Investment in Capital Assets - Capital Fund
For the year ended March 31, 2025
(Unaudited)

| | 2025 | 2024 |
|-----------------------------------|---------------------|---------------------|
| BALANCE, BEGINNING OF YEAR | \$ 7,612,255 | \$ 7,417,773 |
| Province of Nova Scotia grants | 15,300 | 15,300 |
| Government of Canada grants | 10,622 | 1,304 |
| Other grants | 80 | 80 |
| Term debt retired | 160,000 | 160,000 |
| Debenture refinance | (18,642) | - |
| Interest and other | 8,320 | 17,798 |
| BALANCE, END OF YEAR | \$ 7,787,935 | \$ 7,612,255 |

Town of Antigonish
Water Utility Section
Schedule of Tangible Capital Assets

As at March 31, 2025
(Unaudited)

| | | | 2025 | 2024 |
|--|----------------------|-----------------------------|----------------------|---------------------|
| | Cost | Accumulated Amortization | Net Book Value | Net Book Value |
| Land | | | | |
| Source of supply | \$ 500,211 | \$ - | \$ 500,211 | \$ 500,211 |
| Reservoir | 12,965 | - | 12,965 | 12,965 |
| Reservoir land study | 90,139 | 63,569 | 26,570 | 43,513 |
| Transmission | 128,140 | 469 | 127,671 | 128,140 |
| Buildings | | | | |
| Source of supply | 1,567,714 | 1,003,309 | 564,405 | 595,602 |
| Purification | 4,394,579 | 2,961,690 | 1,432,889 | 1,559,453 |
| Distribution reservoirs and stand pipes | 3,545,781 | 487,942 | 3,057,839 | 507,520 |
| Transmission mains | 2,045,536 | 1,061,731 | 983,805 | 991,734 |
| Distribution mains | 2,868,130 | 654,411 | 2,213,719 | 2,228,413 |
| Services | 615,754 | 182,876 | 432,878 | 445,193 |
| Meters | 1,233,181 | 740,882 | 492,299 | 515,843 |
| Hydrants | 431,955 | 78,678 | 353,277 | 352,432 |
| Equipment | | | | |
| Transportation services | 112,202 | 95,658 | 16,544 | 22,063 |
| Tools and work | 177,867 | 89,519 | 88,348 | 104,686 |
| Office | 4,354 | 4,354 | - | - |
| | \$ 17,728,508 | \$ 7,425,088 | \$ 10,303,420 | \$ 8,007,768 |

Town of Antigonish
Electric Operating Section
Statement of Financial Position - Operating Fund
As at March 31, 2025
(Unaudited)

| | 2025 | 2024 |
|---------------------------------|--------------|--------------|
| ASSETS | | |
| Receivables | \$ 2,829,285 | \$ 2,282,308 |
| Due from general operating fund | - | - |
| Inventory | 1,312,533 | 2,023,847 |
| | \$ 4,141,818 | \$ 4,306,155 |
| LIABILITIES | | |
| Due to general operating fund | \$ 370,192 | \$ 2,057,026 |
| Trade payables | 2,420,476 | 1,410,776 |
| Reserve for customer deposits | 256,677 | 270,995 |
| | 3,047,345 | 3,738,797 |
| ACCUMULATED SURPLUS | 1,094,473 | 567,358 |
| | \$ 4,141,818 | \$ 4,306,155 |

Town of Antigonish
Electric Utility Section
Statement of Operations and Surplus - Operating Fund
For the year ended March 31, 2025
(Unaudited)

| | 2025 | | 2024 |
|---|---------------------|---------------------|--------------------|
| | Budget | Actual | Actual |
| OPERATING REVENUES | | | |
| Domestic service | \$ 6,472,159 | \$ 6,068,223 | \$ 5,366,886 |
| Commercial service | 7,329,826 | 7,270,815 | 6,457,439 |
| Large general service | 1,775,257 | 1,806,837 | 1,765,916 |
| Street lighting | 144,073 | 183,396 | 168,540 |
| Service connections and meter rental | 51,101 | 34,660 | 38,345 |
| Other revenue | - | 204,193 | - |
| | <u>15,772,416</u> | <u>15,568,124</u> | <u>13,797,126</u> |
| NON-OPERATING REVENUES (EXPENSES) | | | |
| Interest | 20,000 | 12,555 | (1,469) |
| Interest on consumer deposits | (6,013) | (13,853) | (12,930) |
| | <u>13,987</u> | <u>(1,298)</u> | <u>(14,399)</u> |
| | <u>15,786,403</u> | <u>15,566,826</u> | <u>13,782,727</u> |
| OPERATING EXPENSES | | | |
| Power purchased | 7,701,260 | 9,981,789 | 10,470,907 |
| Power generation and delivery | 5,199,413 | 2,335,562 | 2,229,631 |
| Substations and buildings | 17,977 | 37,858 | 10,725 |
| Distribution | 241,782 | 350,014 | 236,987 |
| Administration and general | 1,412,267 | 1,273,951 | 1,196,890 |
| Property taxes | 2,666 | 2,745 | 2,588 |
| Depreciation | 319,524 | 258,733 | 256,291 |
| Wages | 619,500 | 493,487 | 504,475 |
| | <u>15,514,389</u> | <u>14,734,139</u> | <u>14,908,494</u> |
| ANNUAL SURPLUS (DEFICIT) | <u>272,014</u> | <u>832,687</u> | <u>(1,125,767)</u> |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | 567,358 | 567,358 | 2,268,125 |
| Transfer to general operating fund | (305,572) | (305,572) | (575,000) |
| ACCUMULATED SURPLUS, END OF YEAR | <u>\$ (533,800)</u> | <u>\$ 1,094,473</u> | <u>\$ 567,358</u> |

Town of Antigonish
Electric Utility Section
Statement of Financial Position - Capital Fund
As at March 31, 2025
(Unaudited)

| | 2025 | 2024 |
|-------------------------------------|----------------------|----------------------|
| ASSETS | | |
| Restricted cash - depreciation fund | \$ 4,459,337 | \$ 2,128,627 |
| Receivables | 3,525,688 | 500,000 |
| Due from general operating fund | - | - |
| Tangible capital assets | 14,840,547 | 8,970,908 |
| Inventory | 2,799,608 | - |
| | \$ 25,625,180 | \$ 11,599,535 |
| LIABILITIES | | |
| Due to general operating fund | 6,325,296 | 500,000 |
| Reserve for future expenditures | 7,252 | 7,252 |
| Accumulated depreciation | 5,799,411 | 5,540,678 |
| | 12,131,959 | 6,047,930 |
| ACCUMULATED SURPLUS | 13,493,221 | 5,551,605 |
| | \$ 25,625,180 | \$11,599,535 |

Town of Antigonish
Electric Utility Section
Statement of Investment in Capital Assets - Capital Fund
For the year ended March 31, 2025
(Unaudited)

| | 2025 | 2024 |
|-----------------------------------|----------------------|---------------------|
| BALANCE, BEGINNING OF YEAR | \$ 5,551,605 | \$ 4,957,213 |
| Capital grants | 7,872,206 | 500,000 |
| Interest and other | 69,410 | 94,392 |
| BALANCE, END OF YEAR | \$ 13,493,221 | \$ 5,551,605 |

Town of Antigonish
Electric Utility Section
Schedule of Tangible Capital Assets

As at March 31, 2025
(Unaudited)

| | | | 2025 | 2024 |
|----------------------|----------------------|-----------------------------|---------------------|---------------------|
| | Cost | Accumulated Amortization | Net Book Value | Net Book Value |
| Land | \$ 180,077 | \$ - | \$ 180,077 | \$ 180,077 |
| Garage | 216,419 | 69,889 | 146,530 | 147,160 |
| Substation | 408,731 | 332,182 | 76,549 | 86,767 |
| Primary | 2,004,229 | 1,324,690 | 679,539 | 717,253 |
| Secondary | 476,452 | 376,568 | 99,884 | 110,092 |
| Transformers | 3,227,657 | 1,988,205 | 1,239,452 | 494,392 |
| Service | 744,294 | 481,736 | 204,295 | 247,109 |
| Other | 295,994 | 91,699 | 262,558 | 227,753 |
| Streetlights | 482,144 | 208,189 | 273,955 | 299,198 |
| Meters | 351,214 | 296,124 | 55,090 | 60,517 |
| Transportation | 925,932 | 563,822 | 362,110 | 324,672 |
| Shop | 62,805 | 60,788 | 2,017 | 2,633 |
| Office | 4,294 | 4,294 | - | - |
| Rate study equipment | 221,192 | 1,225 | 219,967 | 219,967 |
| Work in progress | 5,239,113 | - | 5,239,113 | 312,640 |
| | \$ 14,840,547 | \$ 5,799,411 | \$ 9,041,136 | \$ 3,430,230 |

