

TOWN OF BOTWOOD

**Consolidated Financial Statements
For the Year Ended December 31, 2024**

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Botwood and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Association of Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Council of the Municipality met with management and its external auditors to review a draft of the consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized consolidated financial statements.

Blair J. Jewer Chartered Professional Accountant as the Municipality's appointed external auditor, has audited the Consolidated Financial Statements. The Auditor's report is addressed to the Mayor and members of Council and appears on the following page. His opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian generally accepted accounting principles.



James Sceviour
Mayor



Audrey Rowsell
Town Clerk

Blair J. Jewer
Chartered Professional Accountant

2A Bank Road
PO Box 471
Grand Falls-Windsor, NL
A2A 2J9
Tel: (709) 489-7755
Fax: (709) 489-8646
Email: blair@blairjewer.ca

3.

INDEPENDENT AUDITOR'S REPORT

To the Mayor and the Councilors of the Town of Botwood

Opinion

I have audited the financial statements of Town of Botwood (the Organization), which comprise the statement of financial position as at December 31, 2024, and the statement of operations, statement of net assets and statement of cash flows for the year then ended, and notes to the financial statements (including a summary of significant accounting policies), and various supporting schedules.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing

standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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 Town of Botwood'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 Town of Botwood's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Town of Botwood to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

Grand Falls-Windsor, NL
August 13, 2025


Chartered Professional Accountant
Chartered Accountant


TOWN OF BOTWOOD
Consolidated Financial Statements
For the Year Ended December 31, 2024

Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Change in Net Financial Assets (Net Debt)	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9
Schedule 1 - Consolidated Schedule of Tangible Capital Assets	16
Schedule 2 - Consolidated Schedule of Revenues	17
Schedule 3 - Consolidated Schedule of Expenses	18
Schedule 4 - Consolidated Statement of Operations by Program	19
Schedule 5 - Consolidated Details and Reconciliation to Core Government Results	21
Schedule 6 - Reconciliation of the Financial Plan to the Budget	22

**TOWN OF BOTWOOD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2024**

	<u>2024</u>	<u>2023</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 5)	\$ 1,006,888	\$ 858,167
Amounts receivable (Note 6)	592,922	323,109
Long term financial assets (Note 7)	304,242	352,816
	<u>\$ 1,904,052</u>	<u>\$ 1,534,092</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	\$ 169,747	\$ 143,706
Severance and vested sick leave payable	274,419	256,595
Deferred revenue	41,250	42,350
Landfill closure and post closure liabilities (Note 10)	-	-
Long-term debt (Note 11)	688,401	651,627
	<u>1,173,817</u>	<u>1,094,278</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 730,235</u>	<u>\$ 439,814</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 15,798,782	\$ 14,378,471
Inventories for use (Note 8)	-	-
Prepaid expenses	-	-
	<u>15,798,782</u>	<u>14,378,471</u>
ACCUMULATED SURPLUS (DEFICIT)	<u>\$ 16,529,017</u>	<u>\$ 14,818,285</u>

Approved on behalf of Council:



Mayor



Town Clerk

TOWN OF BOTWOOD
CONSOLIDATED STATEMENT OF OPERATIONS
Year Ended December 31, 2024

	<u>2024 Budget</u>	<u>2024 Actual</u>	<u>2023 Actual</u>
REVENUE			
Taxation	\$ 2,642,005	\$ 2,683,020	\$ 2,572,894
Sales of goods and services	412,100	561,925	511,569
Grants and transfers	467,383	2,443,959	740,762
Investment income	-	16,160	18,472
Other revenue	-	77,400	-
Total revenue (Schedules 2, 4 and 5)	<u>3,521,488</u>	<u>5,782,464</u>	<u>3,843,697</u>
EXPENSES			
General government services	1,333,297	1,610,446	1,551,981
Protective services	134,293	116,415	136,753
Transportation services	994,035	717,100	605,369
Environmental health services	981,507	946,881	882,809
Regional planning and development	77,000	83,725	34,776
Recreation and cultural services	368,473	415,400	401,020
Fiscal services	71,488	181,765	116,049
Total expenses (Schedules 3, 4 and 5)	<u>3,960,093</u>	<u>4,071,732</u>	<u>3,728,757</u>
ANNUAL SURPLUS (DEFICIT)	<u>(438,605)</u>	<u>1,710,732</u>	<u>114,940</u>
ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR	<u>14,818,285</u>	<u>14,818,285</u>	<u>14,703,345</u>
ACCUMULATED SURPLUS (DEFICIT), END OF YEAR	<u><u>\$ 14,379,680</u></u>	<u><u>\$ 16,529,017</u></u>	<u><u>\$ 14,818,285</u></u>

TOWN OF BOTWOOD
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS(NET DEBT)
Year Ended December 31, 2024

	<u>2024 Budget</u>	<u>2024 Actual</u>	<u>2023 Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ (438,605)	\$ 1,710,732	\$ 114,940
Acquisition of tangible capital assets	(207,280)	(2,224,974)	(625,558)
Amortization of tangible capital assets	804,663	804,663	779,954
Loss (Gain) on long term financial assets	-	-	-
Loss (Gain) on sale of tangible capital assets	-	-	-
Assets under construction written off to expense	-	-	-
Proceeds on sale of tangible capital assets	-	-	-
Rounding	-	-	-
Decrease (increase) in inventories	-	-	-
Decrease (increase) in prepaids	-	-	-
	<u>597,383</u>	<u>(1,420,311)</u>	<u>154,396</u>
CHANGE IN NET FINANCIAL ASSETS	158,778	290,421	269,336
NET FINANCIAL ASSETS (NET DEBT), BEGINNING OF YEAR	<u>439,814</u>	<u>439,814</u>	<u>170,478</u>
NET FINANCIAL ASSETS (NET DEBT), END OF YEAR	<u>\$ 598,592</u>	<u>\$ 730,235</u>	<u>\$ 439,814</u>

TOWN OF BOTWOOD
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2024

	<u>2024</u>	<u>2023</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 1,710,732	\$ 114,940
Changes in non-cash items:		
Amounts receivable	(269,813)	20,290
Inventories	-	-
Prepaid expenses	-	-
Accounts payable and accrued liabilities	26,041	3,195
Deferred revenue	(1,100)	(138,027)
Severance and vested sick leave payable	17,824	(24,821)
Loss (Gain) on sale of tangible capital assets	-	-
Loss (Gain) on long term financial assets	-	-
Rounding	-	-
Amortization	804,663	779,954
Cash provided by operating transactions	<u>2,288,347</u>	<u>755,531</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	-	-
Cash used to acquire tangible capital assets	(2,224,974)	(625,558)
Cash applied to capital transactions	<u>(2,224,974)</u>	<u>(625,558)</u>
INVESTING TRANSACTIONS		
Cash applied to investing transactions	<u>48,574</u>	<u>44,992</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	195,552	-
Debt repayment	(158,778)	(148,365)
Cash applied to financing transactions	<u>36,774</u>	<u>(148,365)</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	148,721	26,600
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>858,167</u>	<u>831,567</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 1,006,888</u></u>	<u><u>\$ 858,167</u></u>

**TOWN OF BOTWOOD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2024**

1. Status of the Town of Botwood

The incorporated Town of Botwood is a municipal government that was incorporated in 1962 pursuant to the Province of Newfoundland and Labrador's Municipalities Act. The Municipality provides or funds municipal services such as fire, public works, parks and recreation, tourism and other general government operations.

2. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

a) Basis of Consolidation

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, agencies, local boards, and committees of the Council which are controlled by the Municipality. The controlled organizations include:

Botwood Flying Boat Festival

b) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

c) Cash and Temporary Investments

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition.

d) Investments

Temporary investments are accounted for at the lower of cost and market.

Portfolio investments are accounted for at cost.

e) Real Estate Properties Held for Sale

Real estate properties held for sale are recorded at the lower of cost and net realizable value. Cost includes the amount of acquisition, legal fees, and improvements to prepare the properties for sale or servicing.

It is reasonably anticipated that real estate properties held for resale will be sold outside the reporting entity within one year of the balance sheet date.

TOWN OF BOTWOOD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2024

f) Landfill Closure and Post Closure Liabilities

The estimated cost to close and maintain solid waste landfill sites are based on estimated future expenses, in current dollars, adjusted for estimated inflation, and are charged to expenses as the landfill capacity is used.

g) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

Real estate properties and inventories held for sale are classified as non-financial assets if it is anticipated that the sale will not be completed within one year of the reporting date.

h) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Assets under construction are not amortized until the asset is put into use and one-half of the annual amortization is charged in the year of acquisition and in the year of disposal. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 50 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Term of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	5 years
Maintenance and road construction equipment	10 years
Computer Hardware and Software	4 years
Furniture & Fixtures	5 years

**TOWN OF BOTWOOD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2024**

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	5 to 20 years
Road grade	30 years
Bridges	30 to 50 years
Traffic lights and equipment	10 to 15 years
Marine Structures	25 years
Water and Sewer	
Land	Indefinite
Land improvements	50 years
Buildings	25 to 40 years
Underground networks	15 to 100 years
Machinery and equipment	15 years
Dams and other surface water structures	25 to 50 years

i) Leases

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

j) Inventories

Inventories held for sale are recorded at the lower of cost and net realizable value.

Inventories held for consumption are recorded at the lower of cost and replacement value.

k) Revenue Recognition

Taxation revenue is recognized as levied annually. Tax rates are approved annually by Council. Certain taxes are levied to assessed values as determined by Municipal Assessment Agency of Newfoundland and Labrador. Other taxes are fixed levy amounts.

Government transfers from other levels of government are recognized as revenue when collection is reasonably assured and any performance conditions to receive the funding have been satisfied.

Interest is recognized on overdue accounts receivable at a rate approved by Council

Leasing revenue is recognized on a time basis.

Other revenue is recognized as invoiced and collection is reasonably assured.

l) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

TOWN OF BOTWOOD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2024

3. The manner in which the accounts have been kept and the safeguards against fraud

The Municipality's position in these respects was considered satisfactory.

4. Sufficiency of Bonds

Fidelity bond coverage of \$50,000 is carried on the town employees and this coverage is considered to be adequate.

5. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2024</u>	<u>2023</u>
Cash - General accounts	\$ 920,024	\$ 772,353
Cash - Flying Boat Festival	50,288	16,687
Cash - Federal Gas Tax	36,576	69,127
Temporary operating loans	-	-
	<u>\$ 1,006,888</u>	<u>\$ 858,167</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost.

6. Amounts Receivable

	<u>2024</u>	<u>2023</u>
Poll tax	\$ -	\$ -
Property tax	326,940	262,993
Business tax	19,645	14,437
Water and sewer	147,847	113,104
Prepaid taxes	(59,923)	(58,253)
SUBTOTAL: Taxes receivable	<u>434,509</u>	<u>332,281</u>
Province share of accrued interest	-	-
Waste disposal fee	11,552	7,943
Harmonized Sales Tax rebate	213,676	(3,883)
Other		
Federal government	-	-
Provincial government	163,200	181,178
Local government	-	-
Other	47,517	15,029
	<u>870,454</u>	<u>532,548</u>
Less allowances for doubtful amounts	<u>(277,532)</u>	<u>(209,439)</u>
	<u>\$ 592,922</u>	<u>\$ 323,109</u>

Taxes receivable increased from \$332,281 as of December 31, 2023 to \$434,509 as of December 31, 2024. Of the taxes receivable \$ 256,600 has been outstanding for one year or longer.

Total collections in 2024 amounted to 96.1% of the total taxes levied in 2024.

**TOWN OF BOTWOOD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2024**

7. Long term financial assets

	<u>2024</u>	<u>2023</u>
Exploits Valley Port Corporation 4.95% capital lease, repayable by blended monthly installments commencing at \$5,412 and increasing by 2% annually, secured by real estate, due 2029	<u>\$ 304,242</u>	<u>\$ 352,816</u>

Principal payments required in each of the next five years are as follows:

2025	\$ 52,362
2026	\$ 56,369
2027	\$ 60,606
2028	\$ 65,085
2028	\$ 69,819

8. Inventories

Inventories for use:	<u>2024</u>	<u>2023</u>
Other supplies	<u>\$ -</u>	<u>\$ -</u>

9. Accounts Payable and Accrued Liabilities

	<u>2024</u>	<u>2023</u>
Accounts payable	\$ 35,962	\$ 78,007
Accrued expenses	133,785	65,699
Due to capital bank accounts	-	-
	<u>\$ 169,747</u>	<u>\$ 143,706</u>

10. Landfill Closure and Post Closure Liabilities

Operating Landfill Site

The Municipality is currently operating a Class U landfill site and a solid waste transfer station. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

Upon operations commencing at the Central Waste Management site, the Government of Newfoundland and Labrador has committed to closing all local landfill sites. The landfill site operated by the Town of Botwood has been closed for a significant period of time with no known issues. The solid waste transfer site operated by the Town of Botwood may continue to be used even after the Central Waste Management site becomes operational. Government has agreed to conduct or contract the closure, and cover applicable costs.

Consequently no accrual has been made for liabilities or grants relating to the closure costs.

Post closure costs cannot be reasonably estimated and consequently have not been accrued.

**TOWN OF BOTWOOD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2024**

11. Long Term Debt

	<u>2024</u>	<u>2023</u>
Bank of Montreal Prime plus 1.25% repayable by monthly installments of \$3,493, maturing 2026	\$ 94,314	\$ 139,726
Prime plus 1.25% repayable by monthly installments of \$1,525, maturing 2025	1,525	19,825
Prime plus 0.5% repayable by monthly installments of \$735, due 2059	176,476	180,102
Prime plus 0.5% repayable by monthly installments of \$1,254, due 2024	1,254	17,403
Prime plus 0.5% repayable by blended monthly installments of \$684, due 2025	684	9,493
Prime plus 0.5% repaid during year	-	785
Prime plus 0.5% repayable by monthly installments of \$541, due 2026	7,029	13,307
Prime plus 0.5% repayable by monthly installments of \$1000, due 2027	37,983	48,586
Prime plus 0.50% repayable by monthly installments of \$1,105, due 2025	9,944	23,633
Prime plus 0.5% repayable by monthly installments of \$1,262, due 2029	78,221	91,186
Prime plus 0.5% repayable by monthly installments of \$1,273, due 2027	54,745	67,288
Prime plus 0.5% repayable by monthly installments of \$754, due 2028	32,422	40,293
Prime plus 1.0% repayable by blended monthly installments of \$1,444, due 2034	136,997	-
Prime plus 1.0% repayable by blended monthly installments of \$1074, due 2029	56,807	-
	<u>\$ 688,401</u>	<u>\$ 651,627</u>

Long term debt is secured by various vehicles and Council approvals to borrow.

Principal payments required in each of the next five years are as follows:

2025	\$ 143,576
2026	\$ 125,264
2027	\$ 94,378
2028	\$ 64,914
2029	\$ 49,340

TOWN OF BOTWOOD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2024

12. Employee Future Benefits

The Municipality provides employee future benefits in the form of a regular group Registered Retirement Savings Plan contributions and severance pay to employees upon their departure from employment with the Municipality.

The cumulative severance pay liability is accrued in the financial statements based on years of service with the Municipality and the current rate of pay. The amount of expense recognized in the financial statements for severance pay is \$55,104 (2023 - \$14,043)

The Municipality's share of group Registered Retirement Savings Plan expense is \$36,812 (2023 - \$42,587)

13. Financial Instruments

The Municipality, as part of its operations, carries a number of financial instruments. It is management's opinion the Municipality is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

Components of the Municipality's long term debt bear interest at rates tied to prime as established by its creditor. Consequently the Municipality is exposed to interest rate risk as prime varies.

14. Commitments

The Municipality has entered into numerous commitments for capital. Commitments for capital expenditures are cost shared projects with various levels of government. At December 31, 2023 certain projects are ongoing and others are to be commenced in 2024 or later. The Municipality's share of these cost shared projects is anticipated to be \$80599

If necessary, the Municipality share will be financed from long term debt.

15. Budget

In accordance with the Province of Newfoundland and Labrador's Municipalities Act, every council must adopt a financial plan for each fiscal period in a form approved by the minister. The financial plan is prepared on a revenue and expenditure basis that does not meet the recommendations of PSAB. For comparative purposes, the Town/City has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by Council.

The reconciliation between the Municipality's cash based financial plan and the PSAB accrual based budget figures used in these statements is disclosed in Schedule 6 - Reconciliation of the Financial Plan to the Budget.

16. Basis of Accounting

The Town of Botwood has adopted the Public Sector Accounting Board's recommendations for recording tangible capital assets and the new financial statement presentation. The tangible asset section, PS 3150, establishes standards on how to account and report tangible capital assets in government financial statements. The financial statement presentation section, PS 1200 and 1201, establishes general reporting principles and standards for the disclosure of information based on the underlying financial statement concepts and the objectives of the government financial statements.

SCHEDULE 1

**TOWN OF BOTWOOD
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2024**

	General Capital Assets						Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2024	2023	
Cost											
Opening costs	1,105,611	6,836,634	2,789,213	-	288,221	9,845,958	15,222,861	27,449	36,125,949	35,500,391	
Additions during the year	515,249	-	20,857	-	176,922	577,229	1,421,378	15,932	2,727,567	942,002	
Disposals and write downs	-	94,310	(1)	-	475,144	132,556	112,240	27,449	841,698	316,444	
Closing costs	1,620,860	6,742,324	2,810,071	-	(0)	10,290,632	16,531,999	15,932	38,011,818	36,125,949	
Accumulated Amortization											
Opening accum'd amortization	39,628	3,698,995	2,162,257	-	-	7,455,721	8,390,877	-	21,747,478	20,967,524	
Amortization	9,447	122,344	108,615	-	-	221,135	343,122	-	804,663	779,954	
Disposals and write downs	-	94,310	(819)	-	-	132,551	113,063	-	339,105	-	
Closing accum'd amortization	49,075	3,727,029	2,271,691	-	-	7,544,305	8,620,936	-	22,213,036	21,747,478	
Net Book Value of Tangible Capital Assets	1,571,785	3,015,295	538,380	-	(0)	2,746,327	7,911,063	15,932	15,798,782	14,378,471	

TOWN OF BOTWOOD
CONSOLIDATED SCHEDULE OF REVENUES
Year Ended December 31, 2024

SCHEDULE 2

	<u>2024</u> <u>Actual</u>	<u>2023</u> <u>Actual</u>
Taxation		
Property tax	\$ 1,472,522	\$ 1,394,475
Business tax	353,811	339,146
Water and sewer tax	797,655	795,885
Payments in lieu of taxes	3,835	3,736
Penalties and interest	55,197	39,652
	<u>2,683,020</u>	<u>2,572,894</u>
Sales of goods and services		
Garbage collection fees	126,090	126,000
Parking meters	-	-
Recreation and cultural services	133,788	136,752
Transportation services	-	-
Fire protection service fees	-	-
Animal and pest control fees	-	-
Waste disposal site fees	5,630	5,630
Wharf lease and tie up fees	-	-
Other sales of goods and services	296,417	243,187
	<u>561,925</u>	<u>511,569</u>
Grants and transfers		
Government of Canada	-	-
Capital grant	683,734	174,860
Gax tax revenue	204,896	26,993
Other federal revenue	11,200	13,623
Government of Newfoundland and Labrador	-	-
Municipal operating grant	326,400	291,352
Municipal capital grant	1,161,023	166,678
Gax tax revenue	35,956	35,956
Special assistance	15,750	31,300
Other provincial grants and/or subsidies	5,000	-
	<u>2,443,959</u>	<u>740,762</u>
Investment income		
Interest from capital leases	16,160	18,472
Other revenue		
Gain on sale of tangible capital assets	77,400	-
Gain on sale of real estate held for sale	-	-
Miscellaneous	-	-
	<u>77,400</u>	<u>-</u>
Total Revenue	<u>\$ 5,782,464</u>	<u>\$ 3,843,697</u>

TOWN OF BOTWOOD
CONSOLIDATED SCHEDULE OF EXPENSES
Year Ended December 31, 2024

SCHEDULE 3

	2024 Actual	2023 Actual
General government services		
Legislative	\$ 48,598	\$ 50,155
Common services	207,841	159,048
General administrative	1,250,652	1,233,506
Other general government services	-	-
Write down of tangible capital assets	-	-
Amortization	103,355	109,272
	<u>1,610,446</u>	<u>1,551,981</u>
Protective services		
Fire	99,922	110,213
Emergency measures	-	-
Animal and pest control	-	-
Municipal enforcement	-	-
Other protective services	-	-
Amortization	16,493	26,540
	<u>116,415</u>	<u>136,753</u>
Transportation services		
Road, street, sidewalk maintenance	288,171	205,807
Snow removal	133,501	115,610
Street lighting	74,293	75,210
Traffic services	-	-
Other transportation services	-	-
Amortization	221,135	208,742
	<u>717,100</u>	<u>605,369</u>
Environmental health services		
Water supply	300,295	280,216
Sewage collection and disposal	17,440	19,721
Garbage and waste collection and disposal	286,439	270,299
Other environmental health services	-	-
Amortization	342,707	312,573
	<u>946,881</u>	<u>882,809</u>
Regional planning and development		
Planning and zoning	-	-
Community improvement and development	-	-
Regional development	-	-
Tourism and marketing	83,725	34,776
Other regional planning and development	-	-
	<u>83,725</u>	<u>34,776</u>
Recreation and cultural services		
Recreation administration	-	-
Skating and curling rinks	206,973	167,610
Parks and playgrounds	15,145	13,815
Museums	28,695	34,962
Flying Boat Festival	43,614	61,806
Mural Arts	-	-
Other recreation and cultural services	-	-
Amortization	120,973	122,827
	<u>415,400</u>	<u>401,020</u>
Fiscal Services		
Long-term debt interest	42,564	54,513
Interest on temporary bank loans	-	-
Provision for uncollectible taxes, fees and charges	68,093	(6,948)
Discount on taxes	71,108	68,484
Loss (Gain) on long term financial assets	-	-
	<u>181,765</u>	<u>116,049</u>
Total Expenses	<u>\$ 4,071,732</u>	<u>\$ 3,728,757</u>

TOWN OF BOTWOOD

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2024

	General Government*		Protective Services		Transportation Services		Environmental Health Services	
	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE								
Taxation	\$1,885,365	\$1,777,009	\$ -	\$ -	\$ -	\$ -	\$ 797,665	\$ 785,885
Sales of goods and services	296,417	243,187	-	-	-	-	131,720	131,630
Grants and transfers	384,606	367,531	-	-	-	-	-	-
Investment income	16,160	18,472	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenue	\$ 2,582,548	\$ 2,406,199	\$ -	\$ -	\$ -	\$ -	\$ 929,375	\$ 927,515
EXPENSES								
Personnel services	\$ 822,239	\$ 839,739	\$ -	\$ -	\$ 192,326	\$ 158,930	\$ 123,778	\$ 129,906
Contract services	290,669	265,532	5,356	1,795	51,083	-	445,969	397,726
Utilities	46,091	23,477	23,042	23,959	74,293	75,210	3,127	4,523
Maintenance materials and supplies	296,153	273,116	54,724	72,859	178,263	162,487	31,300	38,081
Grants and contributions	-	-	12,000	11,600	-	-	-	-
Amortization	103,355	109,272	16,493	26,540	221,135	208,742	342,707	312,573
Interest on long term debt	-	-	-	-	-	-	-	-
Other	51,939	40,845	4,800	-	-	-	-	-
Total expenses	\$1,610,446	\$1,551,981	\$ 116,415	\$ 136,753	\$ 717,100	\$ 605,369	\$ 946,881	\$ 882,809
Surplus (Deficit)	\$ 972,102	\$ 854,218	\$ (116,415)	\$ (136,753)	\$ (717,100)	\$ (605,369)	\$ (17,506)	\$ 44,706

* The general government category includes revenues and expenses that cannot be attributed to a particular sector.

TOWN OF BOTWOOD
 CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
 Year Ended December 31, 2024

	Regional Planning and Development		Recreation and Cultural Services		Fiscal Services		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
REVENUE								
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,683,020	\$ 2,572,894
Sales of goods and services	-	-	133,788	136,752	-	-	561,925	511,569
Grants and transfers	-	-	4,700	4,700	2,054,653	368,531	2,443,959	740,762
Investment income	-	-	-	-	-	-	16,160	18,472
Other revenue	-	-	-	-	-	-	-	-
Total revenue	\$ -	\$ -	\$ 138,488	\$ 141,452	\$ 2,054,653	\$ 368,531	\$ 5,705,064	\$ 3,843,697
EXPENSES								
Personnel services	\$ 19,179	\$ 13,416	\$ 99,800	\$ 93,398	\$ -	\$ -	\$ 1,257,322	\$ 1,235,389
Contract services	-	-	-	-	-	-	793,077	665,053
Utilities	-	-	76,650	67,913	-	-	223,203	195,082
Maintenance materials and supplies	174	8,871	74,363	55,076	-	-	634,977	610,490
Grants and contributions	-	-	-	-	-	-	12,000	11,600
Amortization	-	-	120,973	122,827	-	-	804,663	779,954
Interest on long term debt	-	-	-	-	42,564	54,513	42,564	54,513
Other	64,372	12,489	43,614	61,806	139,201	61,536	303,926	176,676
Total expenses	\$ 83,725	\$ 34,776	\$ 415,400	\$ 401,020	\$ 181,765	\$ 116,049	\$ 4,071,732	\$ 3,728,757
Surplus (Deficit)	\$ (83,725)	\$ (34,776)	\$ (276,912)	\$ (259,568)	\$ 1,872,888	\$ 252,482	\$ 1,633,332	\$ 114,940

TOWN OF BOTWOOD
CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
Year Ended December 31, 2024

SCHEDULE 5

	Core Government		Controlled Entities		Government Partnerships		Total
	2024	2023	2024	2023	2024	2023	
REVENUE							
Taxation	\$ 2,683,020	\$ 2,572,894	\$ -	\$ -	\$ -	\$ -	\$ 2,572,894
Sales of goods and services	499,514	449,158	62,411	62,411	-	-	511,569
Grants and transfers	2,443,959	740,762	-	-	-	-	740,762
Investment income	16,160	18,472	-	-	-	-	18,472
Other revenue	-	-	-	-	-	-	-
Total revenue	\$ 5,642,653	\$ 3,781,286	\$ 62,411	\$ 62,411	\$ -	\$ -	\$ 3,843,697
EXPENSES							
Personnel services	\$ 1,257,322	\$ 1,235,389	\$ -	\$ -	\$ -	\$ -	\$ 1,235,389
Contract services	793,077	665,053	-	-	-	-	665,053
Utilities	223,203	195,082	-	-	-	-	195,082
Maintenance materials and supplies	634,977	610,490	-	-	-	-	610,490
Grants and contributions	12,000	11,600	-	-	-	-	11,600
Amortization	804,663	779,954	-	-	-	-	779,954
Interest on long term debt	42,564	54,513	-	-	-	-	54,513
Other	242,120	114,870	61,806	61,806	-	-	176,676
Total expenses	\$ 4,009,926	\$ 3,666,951	\$ 61,806	\$ 61,806	\$ -	\$ -	\$ 3,728,757
Surplus (Deficit)	\$ 1,632,727	\$ 114,335	\$ 605	\$ 605	\$ -	\$ -	\$ 114,940

TOWN OF BOTWOOD

SCHEDULE 6

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

Year Ended December 31, 2024

	Financial Plan	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE							
Taxation	\$ 2,642,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,642,005
Sales of goods and services	412,100	-	-	-	-	-	412,100
Grants and transfers	467,383	-	-	-	-	-	467,383
Investment income	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-
Transfers from accumulated surplus	-	-	-	-	-	-	-
Transfers from reserves	-	-	-	-	-	-	-
Total revenue	\$ 3,521,488	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,521,488
EXPENSES							
General government services	\$ 1,229,942	\$ 103,355	\$ -	\$ -	\$ -	\$ -	\$ 1,333,297
Protective services	117,800	16,493	-	-	-	-	134,293
Transportation services	772,900	221,135	-	-	-	-	994,035
Environmental health services	638,800	342,707	-	-	-	-	981,507
Regional planning and development	77,000	-	-	-	-	-	77,000
Recreation and cultural services	247,500	120,973	-	-	-	-	368,473
Fiscal services:							
Capital expenditures	207,280	-	-	(207,280)	-	-	-
Debt charges	140,266	-	-	(158,778)	-	-	(18,512)
Other	90,000	-	-	-	-	-	90,000
Total expenses	\$ 3,521,488	\$ 804,663	\$ -	\$ (366,058)	\$ -	\$ -	\$ 3,960,093
Surplus (Deficit)	\$ -	\$ (804,663)	\$ -	\$ 366,058	\$ -	\$ -	\$ (438,605)

Transfer column represents the following items:

1. Capital expenditures: Acquisition of tangible capital assets is not an operational expense.
2. Debt charges: Principal portion of debt charge payments is not an operational expense.