

TOWN OF TORBAY
Consolidated Financial Statements
Year Ended December 31, 2024

TOWN OF TORBAY
Index to Consolidated Financial Statements
Year Ended December 31, 2024

	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations and Accumulated Surplus	5
Consolidated Statement of Changes in Net Financial Debt	6
Consolidated Statement of Cash Flows	7
Notes to Consolidated Financial Statements	8 - 16
Consolidated Schedule of Revenues (<i>Schedule 1</i>)	17
Consolidated Schedule of Expenses (<i>Schedule 2</i>)	18 - 19
Consolidated Schedule of Tangible Capital Assets (<i>Schedule 3</i>)	20
Consolidated Reconciliation of the Financial Plan to Budget (<i>Schedule 4</i>)	21

✓

ke

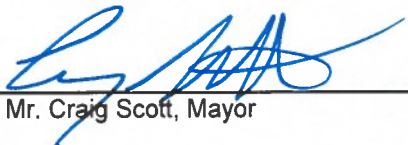
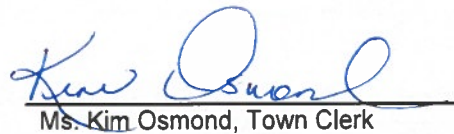
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Town of Torbay have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Town of Torbay's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Town Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility principally through its Finance Committee. The Finance Committee is appointed by the Council and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance Committee reports to the Town Council prior to its approval of the financial statements. The Committee also considers, for review by the Council and approval by the members, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members by Richard K Power, CPA, Professional Corporation, in accordance with Canadian public sector accounting standards (PSAS).


Mr. Craig Scott, Mayor
Ms. Kim Osmond, Town Clerk

Torbay, NL
July 7, 2025





RICHARD POWER
CHARTERED PROFESSIONAL ACCOUNTANT

221E Memorial Drive
Clareville, NL
A5A 1R3

Tel 709.466.1000
Fax 709.433.3166

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councillors of Town of Torbay

Opinion

I have audited the consolidated financial statements of Town of Torbay (the Town), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations and accumulated surplus, changes in net financial debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

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 Consolidated Financial Statements* section of my report. I am independent of the Town in accordance with ethical requirements that are relevant to my audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PSAS, 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

My 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 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 consolidated financial statements.

(continues)

JP *Ka*

Independent Auditor's Report to the Members of Town of Torbay (continued)

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 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 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 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated 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 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.

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.

Clareville, Newfoundland and Labrador
July 9, 2025



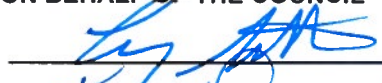
Chartered Professional Accountant
Richard K Power, FCPA, Professional Corporation




TOWN OF TORBAY
Consolidated Statement of Financial Position
December 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash and temporary investments (Note 5)	\$ 3,875,774	\$ 4,302,964
Guaranteed investment certificates (Note 6)	2,363,505	2,255,259
Taxes receivable (Note 7)	1,136,263	1,137,359
Other receivables (Note 8)	718,911	760,117
	8,094,453	8,455,699
LIABILITIES		
Accounts payable and accrued liabilities (Note 10)	1,374,036	1,148,373
Employee benefits liability (Note 11)	474,935	448,663
Deposits received (Note 12)	852,528	934,066
Long term debt (Note 13)	7,757,794	8,310,435
Obligations under capital lease (Note 14)	-	79,676
	10,459,293	10,921,213
NET FINANCIAL DEBT	(2,364,840)	(2,465,514)
NON-FINANCIAL ASSETS		
Inventories for use	174,488	188,612
Prepaid expenses	23,793	22,330
Tangible capital assets (Schedule 4)	40,564,185	40,289,131
	40,762,466	40,500,073
ACCUMULATED SURPLUS	\$ 38,397,626	\$ 38,034,559

ON BEHALF OF THE COUNCIL


 Mayor


 Town Clerk

The accompanying notes are an integral part of these financial statements

TOWN OF TORBAY**Consolidated Statement of Operations and Accumulated Surplus****Year Ended December 31, 2024**

	Budget (Schedule 4)	2024	2023
REVENUES (Schedule 1)			
Taxation	\$ 9,766,135	\$ 9,765,438	\$ 9,288,660
Sales of good and services	355,589	371,756	364,690
Grants and transfers	567,508	1,345,020	1,570,705
Investment income	204,000	356,400	318,408
Other revenue	698,988	888,360	928,230
Transfer from reserves	1,381,131	-	-
	12,973,351	12,726,974	12,470,693
EXPENSES (Schedule 2)			
General government services	2,312,125	2,105,325	1,994,151
Protective services	852,120	636,480	663,147
Transportation	3,677,814	3,558,825	3,513,462
Environmental health	1,462,625	1,374,326	1,230,982
Regional planning and development	885,223	807,681	736,001
Recreation and cultural services	3,381,285	3,292,007	3,147,313
Fiscal services	402,159	589,263	286,574
	12,973,351	12,363,907	11,571,630
ANNUAL SURPLUS	-	363,067	899,063
ACCUMULATED SURPLUS - BEGINNING OF YEAR	38,034,559	38,034,559	37,135,496
ACCUMULATED SURPLUS - END OF YEAR	\$ 38,034,559	\$ 38,397,626	\$ 38,034,559

CS KO

The accompanying notes are an integral part of these financial statements

TOWN OF TORBAY

Consolidated Statement of Changes in Net Financial Debt
Year Ended December 31, 2024

	2024 (Budget)	2024	2023
ANNUAL SURPLUS	\$ -	\$ 363,067	\$ 899,063
Amortization of tangible capital assets	2,423,433	2,423,433	2,618,172
Purchase of tangible capital assets	(2,698,487)	(2,698,487)	(3,257,071)
Decrease (increase) in prepaid expenses	(1,463)	(1,463)	2,732
Increase (decrease) in inventory	14,124	14,124	(35,372)
Rounding	-	-	(1)
	(262,393)	(262,393)	(671,540)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(262,393)	100,674	227,523
NET FINANCIAL DEBT - BEGINNING OF YEAR	(2,465,514)	(2,465,514)	(2,693,037)
NET FINANCIAL DEBT - END OF YEAR	\$ (2,727,907)	\$ (2,364,840)	\$ (2,465,514)

The accompanying notes are an integral part of these financial statements

TOWN OF TORBAY
Consolidated Statement of Cash Flows
Year Ended December 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Annual surplus	\$ 363,067	\$ 899,063
Item not affecting cash:		
Amortization of tangible capital assets	2,423,433	2,618,172
	2,786,500	3,517,235
Changes in non-cash working capital:		
Taxes receivable	1,096	(402,977)
Other receivables	41,206	390,805
Inventory	14,124	(35,372)
Accounts payable and accrued liabilities	225,664	(416,324)
Prepaid expenses	(1,463)	2,732
Employee benefits liability	26,272	(17,680)
Deposits received	(81,538)	291,206
	225,361	(187,610)
Cash flow from operating activities	3,011,861	3,329,625
INVESTING ACTIVITY		
Proceeds from the sale of portfolio investments	2,255,259	2,255,259
Purchase of portfolio investments	(2,363,505)	(2,255,261)
Cash flow used by investing activity	(108,246)	(2)
FINANCING ACTIVITIES		
Proceeds from long term financing	556,942	1,526,449
Repayment of long term debt	(1,109,584)	(1,053,197)
Repayment of obligations under capital lease	(79,676)	(102,843)
Cash flow from (used by) financing activities	(632,318)	370,409
CAPITAL ACTIVITY		
Purchase of tangible capital assets	(2,698,487)	(3,257,071)
INCREASE (DECREASE) IN CASH FLOW	(427,190)	442,961
Cash - beginning of year	4,302,964	3,860,003
CASH - END OF YEAR	\$ 3,875,774	\$ 4,302,964
CASH CONSISTS OF:		
Cash and temporary investments	\$ 3,875,774	\$ 4,302,964

CS *KE*

The accompanying notes are an integral part of these financial statements

TOWN OF TORBAY
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

1. Nature of operations

The incorporated Town of Torbay ("The Town") is a municipal government that was incorporated pursuant to the Province of Newfoundland and Labrador's Municipalities Act. The Municipality provides or funds municipal services such as public works, sanitation and waste removal, street lighting, fire protection, parks and recreation, and other general government operations.

2. Summary of significant accounting policies

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 Town, including the Torbay Volunteer Fire Department. Inter-entity balances and transactions have been eliminated.

The Town has an agreement in place requiring the Northeast Avalon Arena Regional Board Inc. ("NEAA"), a government not-for-profit organization, to be accounted for on a proportionate consolidation basis whereby the Town's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-organization balances and transactions have been eliminated. The Town consolidates the Arena at a rate of 56% based on the Town's original contribution to the Arena construction.

Basis of accounting

The 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.

Cash and temporary investments

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

Investments

Guaranteed investment certificates are accounted for at cost.

Government transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

When the municipality is the transferor, the government transfers are recognized as an expense in the statement of operations when they are authorized and all eligibility criteria have been met by the recipient.

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.

(continues)

TOWN OF TORBAY

Notes to Consolidated Financial Statements

Year Ended December 31, 2024

2. Summary of significant accounting policies (*continued*)

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	25 to 40 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
Torbay Volunteer Fire Department	5 to 15 years
North East Avalon Arena (Jack Byrne Arena)	20 to 40 years

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

Inventory

Inventory held for consumption consists of fuel, sand and salt, and is recorded at the lower of cost and net realizable value. Cost of fuel is determined on an average cost basis. Cost of sand and salt is based on invoiced prices.

Leases

Leases are classified as either 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.

(continues)

CS Ko

TOWN OF TORBAY
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

2. Summary of significant accounting policies (*continued*)

Retirement benefits and other post-employment benefit plans

The Town provides pension, health and dental, and non-vesting sick leave. Select employees are eligible for severance pay. The Town has adopted the following policies with respect to accounting for these employee benefits:

- i) The Town participates in a multi-employer defined benefit pension plan, however, sufficient information is not available to use defined benefit accounting. Therefore, the organization accounts for the plan as if it were a defined contribution plan. As such, no pension liability is included in the organization's financial statements and contributions are recognized as an expense in the year to which they relate. All full-time employees are eligible to participate in the plan. Contributions are a defined amount based upon a set percentage of salary.
- ii) The cost of unused vacation and non-vesting sick leave entitlements are accrued in full when owed, and are determined using employees' current salaries and days of accumulated sick leave.
- iii) The Town accounts for severance pay for eligible staff on an accrual basis and the amount is calculated based upon years of service and the staff's current wage. The amount is payable when the employee ceases employment with the Town.

Revenue recognition policy

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectible amounts.

Other revenue mainly consists of Arena revenues which are recognized when significant risks and rewards of ownership have been transferred and there are no significant obligations remaining, sales price is fixed and determinable, persuasive evidence of an arrangement exists and collection is reasonably assured. This usually coincides with the provision of the goods and services.

Use of estimates

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

Significant estimates include the collectability of taxes and fees receivable, useful lives of tangible capital assets, and the employee benefits liability obligation.

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

The Town's position in these respects was considered satisfactory for an entity of its size. The auditors design and perform audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, as a result of their audit, no significant deficiencies in internal control were reported to the Town that would indicate that the entity's controls were not effective for the purposes of their audit.

CP 20

TOWN OF TORBAY
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

4. Sufficiency of bonds

As required by Section 71 of the Municipalities Act, 1999, I report that all employees collecting, receiving and depositing cash are bonded. The policy details specific types of coverage up to \$50,000. In my opinion, this coverage is adequate.

5. Cash and cash equivalents

Cash and cash equivalents are comprised of the following:

	2024	2023
Operating	\$ 2,680,106	\$ 2,956,785
Federal gas tax	526,324	526,324
High interest savings account	353,281	353,281
Planning and development deposits	96,338	231,373
Capital campaign	89,945	89,921
NEAA cash consolidated	40,037	63,101
Torbay Volunteer Fire Department	8,338	3,325
Cash to be deposited	500	623
Other	205	105
3 month GIC 40, bearing interest at 3.10%	80,700	-
3 month GIC 40, bearing interest at 3.30%	-	78,126
	\$ 3,875,774	\$ 4,302,964

6. Guaranteed investment certificates

	2024	2023
1 year GIC 47, bearing interest at 4.45% per annum	\$ 2,363,505	\$ -
1 year GIC 46, bearing interest at 4.95% per annum	-	255,259
1 year GIC 44, bearing interest at 4.95% per annum	-	1,000,000
1 year GIC 45, bearing interest at 4.95% per annum	-	1,000,000
	\$ 2,363,505	\$ 2,255,259

7. Taxes receivable

	2024	2023
Property tax	\$ 1,497,671	\$ 1,362,715
Business tax	149,816	124,764
Water and sewer tax	72,636	77,124
	1,720,123	1,564,603
Less: allowance for doubtful amounts	(583,860)	(427,244)
	\$ 1,136,263	\$ 1,137,359

CS KED

TOWN OF TORBAY
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

8. Other receivables

	2024	2023
Interest receivable	\$ 354,526	\$ 280,553
HST rebates receivable	200,923	144,967
NEAA receivables consolidated	80,437	55,569
Other receivables	68,024	85,876
Grants receivable	15,001	193,152
	\$ 718,911	\$ 760,117

9. Bank indebtedness

The Town has an operating line of credit with Royal Bank of Canada with a \$1,000,000 limit (2023 - \$1,000,000), bearing interest at prime. The loan is secured by a General Security Agreement providing first charge over all assets of the Town. At year end, the balance was \$nil (2023-\$nil).

10. Accounts payable and accrued liabilities

	2024	2023
Accounts payable	\$ 615,104	\$ 573,362
Accrued liabilities	550,539	376,049
NEAA payables consolidated	206,393	198,962
Payroll remittances	2,000	-
	\$ 1,374,036	\$ 1,148,373

11. Employee benefits liability

All qualified permanent employees are covered by TRIO Pension Plan, a multi-employer pension plan administered by Newfoundland & Labrador Municipal Employee Benefits Inc. Contributions to the plan are required by the employees and the Town at the rate of 7.25% of regular pay. The annual contributions are recognized in the consolidated financial statements on an accrual basis.

During the year, employees and the Town both contributed \$173,491 (2023 - \$147,391) for a total of \$346,981 (2023 - \$294,782).

The Town is responsible for making contributions to the plan sufficient to fund 50% of the Town's portion of any solvency deficiency as determined by an actuary. In 2024 the Town made solvency contributions totaling \$10,680 (2023 - \$10,680).

The most recent actuarial valuation filed with the pension regulators was completed for December 31, 2020 and indicated the plan had a going concern excess of \$8,047,000 and solvency deficit of \$97,870,000. The plan is accounted for as a defined contribution plan as insufficient information is available to account for the plan as a defined benefit plan.

In addition TRIO Benefits pension plan, the Town provides 20 weeks severance to recognize long-service employees.

Employees are permitted to accumulated unused sick leave and vacation entitlements.

(continues)

JS

TOWN OF TORBAY
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

11. Employee benefits liability (continued)

The following is a breakdown in accrued employee benefits liability.

	2024	2023
Accrued severance benefit	\$ 24,760	\$ 24,759
Accrued sick leave benefit	279,201	241,524
Accrued vacation benefit	76,910	82,911
Accrued pension liability	94,064	99,469
	\$ 474,935	\$ 448,663

12. Deposits received

Deposits received relates to monies received in advance with respect to taxation, planning and development.

13. Long term debt

	2024	2023
Royal Bank of Canada loan bearing interest at 3.95% per annum, repayable in monthly blended payments of \$21,135. The loan matures on July 31, 2033.	\$ 1,844,274	\$ 2,021,015
Royal Bank of Canada loan bearing interest at 4.03% per annum, repayable in monthly blended payments of \$9,944. The loan matures on June 30, 2033.	856,934	939,645
TD Equipment Finance Canada loan bearing interest at 5.74% per annum, repayable in monthly blended payments of \$6,451. The loan matures on October 13, 2038.	737,827	771,676
Royal Bank of Canada loan bearing interest at 4.96% per annum, repayable in monthly principal payments of \$6,875 plus interest. The loan matures on June 30, 2027 and is secured by .	443,067	525,573
NLCU loan bearing interest at 5.5% per annum, repayable in monthly blended payments of \$5,735. The loan matures on November 21, 2032.	441,103	484,167
NLCU loan bearing interest at 5% per annum, repayable in monthly principal blended of \$6,780. The loan matures on September 1, 2030.	405,968	465,292
NLCU loan bearing interest at 2.15% per annum, repayable in monthly blended payments of \$2,950. The loan matures on March 25, 2037.	378,682	405,603

(continues)

es to

TOWN OF TORBAY**Notes to Consolidated Financial Statements****Year Ended December 31, 2024****13. Long term debt (continued)**

	2024	2023
NLCU loan bearing interest at 2.15% per annum, repayable in monthly blended payments of \$2,943. The loan matures on March 25, 2037.	377,847	404,708
NLCU loan bearing interest at 2.15% per annum, repayable in monthly blended payments of \$2,818. The loan matures on March 25, 2037.	361,744	387,460
TD Equipment Finance Canada loan bearing interest at 1.76% per annum, repayable in monthly blended payments of \$4,808. The loan matures on February 28, 2026.	332,642	383,997
Royal Bank of Canada loan bearing interest at 5.63% per annum, repayable in monthly blended payments of \$4,912. The loan matures on October 3, 2027.	322,288	381,232
NLCU loan bearing interest at 5.09% per annum, repayable in monthly blended payments of \$2,232. The loan matures on August 2, 2034.	204,140	-
NLCU loan bearing interest at 5% per annum, repayable in monthly blended payments of \$3,342. The loan matures on September 1, 2030.	200,124	229,367
NLCU loan bearing interest at 2.15% per annum, repayable in monthly blended payments of \$1,795. The loan matures on March 25, 2032.	142,953	161,198
TD Equipment Finance Canada loan bearing interest at 5.065% per annum, repayable in monthly blended payments of \$2,768. The loan matures on March 25, 2030.	126,819	-
Royal Bank of Canada loan bearing interest at 2.05% per annum, repayable in monthly principal payments of \$8,386 plus interest. The loan matures on February 6, 2026.	117,194	217,826
NLCU loan bearing interest at 4.43% per annum, repayable in monthly blended payments of \$2,110. The loan matures on December 21, 2029.	111,685	-
Royal Bank of Canada loan bearing interest at 5.67% per annum, repayable in monthly blended payments of \$3,836. The loan matures on October 3, 2027.	105,765	151,797
TD Equipment Finance Canada bearing interest at 5.065% per annum, repayable in monthly blended payments of \$1,656. The loan matures on March 2, 2030 and is secured by equipment	75,879	-
Royal Bank of Canada loan bearing interest at 1.94% per annum, repayable in monthly blended payments of \$5,892. The loan matures on December 31, 2025.	72,906	144,687
		(continues)

TOWN OF TORBAY

Notes to Consolidated Financial Statements

Year Ended December 31, 2024

13. Long term debt (continued)

	2024	2023
Royal Bank of Canada loan bearing interest at 1.94% per annum, repayable in monthly blended payments of \$5,892. The loan matures on December 31, 2025.	69,689	138,304
Royal Bank of Canada loan bearing interest at 5.97% per annum, repayable in monthly principal payments of \$549 plus interest. The loan matures on January 3, 2029.	23,704	28,699
Royal Bank of Canada loan bearing interest at 3.38% per annum, repayable in monthly blended payments of \$760. The loan matures on June 30, 2025.	4,560	13,681
Royal Bank of Canada loan repaid during the year.	-	54,508
	\$ 7,757,794	\$ 8,310,435

Principal repayment terms are approximately:

2025	\$ 1,125,499
2026	919,117
2027	896,168
2028	909,563
2029	912,561
Thereafter	2,994,886
	\$ 7,757,794

14. Obligations under capital lease

	2024	2023
Caterpillar Financial Services Limited lease repaid during the year.	\$ -	\$ 79,676
	\$ -	\$ 79,676

CS KE

TOWN OF TORBAY
Notes to Consolidated Financial Statements
Year Ended December 31, 2024

15. Segmented information

The Town is a diversified municipal institution that provides a wide range of services to its citizens. The nature of the segments and the activities they encompass are as follows:

General government

This segment includes all revenues and expenses related to administrative departments and activities as well as the general operations of the Town itself.

Protective services

This segment includes all revenues and expenses related to the policing, fire and emergency services provided by the Town.

Transportation services

This segment includes all revenues and expenses for all road maintenance and administration which includes sidewalks, traffic signals and systems, and street lighting.

Environment health services

This segment includes all revenues and expenses relating to the maintenance and operation of the water and sewer facilities and waste management facilities while ensuring that these systems meet all provincial standards.

Regional planning and development

This segment includes all revenues and expenses relating to planning, community development and tourism.

Recreation and cultural services

This segment includes all revenues and expenses relating to recreation facilities, parks maintenance and related administration revenues and expenses.

Fiscal services

This segment includes all expenses relating to uncollectible amounts and long-term debt interest.

16. 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 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 Town's cash based financial plan and the PSAB accrual based budget figures used in these statements is disclosed in Schedule 4 - Reconciliation of the Financial Plan to the Budget.

17. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

CP LG

TOWN OF TORBAY
Consolidated Schedule of Revenues (Schedule 1)
Year Ended December 31, 2024

	2024	2023
Taxation		
Property tax	\$ 8,532,975	\$ 8,069,986
Utility tax	384,441	356,086
Business tax	352,091	365,519
Water and sewer tax	490,878	492,264
Other municipal taxes levied	5,053	4,805
	9,765,438	9,288,660
Sales of Goods and Services		
Recreation and cultural services	251,234	261,135
Fire protection services	96,223	78,318
Other sales and services	24,299	25,237
	371,756	364,690
Grants and Transfers		
<i>Government of Canada</i>		
Other federal revenue	11,410	166,604
<i>Government of Newfoundland and Labrador</i>		
Municipal operating grants	284,615	254,054
Municipal capital grant	486,471	712,053
Gas tax revenue	179,744	262,636
Provincial gas tax	69,787	69,787
Other provincial grants	312,993	105,571
	1,345,020	1,570,705
Investment Income		
Interest from investments	356,400	318,408
Other Income		
Gain on sale of tangible capital assets	5,597	167,376
Other revenue from own services	332,775	230,844
NEAA revenues consolidated	549,988	530,010
	888,360	928,230
Total Revenues	\$ 12,726,974	\$ 12,470,693

CS Ke

The accompanying notes are an integral part of these financial statements

TOWN OF TORBAY
Consolidated Schedule of Expenses (Schedule 2)
Year Ended December 31, 2024

	2024	2023
General Government Services		
Council	\$ 207,960	\$ 207,478
Public relations	59,145	76,491
General administration	481,754	343,714
Amortization administration	56,577	92,984
Property assessment services	105,292	102,466
Corporate services	937,787	961,714
Human resources	256,810	209,304
	2,105,325	1,994,151
Protective Services		
Fire protection	481,603	497,189
Amortization protective services	119,725	111,467
Animal control	-	110
Emergency preparedness and response	2,054	1,739
Municipal enforcement	33,098	52,642
	636,480	663,147
Transportation		
Public works administration	446,691	422,293
Vehicle and fleet maintenance	375,218	419,571
Snow clearing	446,090	467,066
Road transport	788,522	692,509
Amortization transportation	1,279,234	1,276,147
Street lighting	213,398	213,255
Other transportation services	9,672	22,621
	3,558,825	3,513,462
Environmental Health		
Water supply	377,923	334,643
Amortization environmental health	314,539	325,204
Sewage collection and disposal	50,372	39,211
Garbage/waste collection and disposal	631,492	531,924
	1,374,326	1,230,982

(continues)

CP *XO*

The accompanying notes are an integral part of these financial statements

TOWN OF TORBAY**Consolidated Schedule of Expenses** *(continued)***(Schedule 2)****Year Ended December 31, 2024**

Regional Planning and Development		
Planning and zoning	556,036	546,881
Amortization planning and zoning	3,421	9,766
Economic development and tourism	140,355	98,509
Tourism and marketing	107,869	80,845
	807,681	736,001
Recreational and Cultural Services		
Recreation administration	401,713	363,400
Amortization recreation	799,131	778,355
Recreation facilities	319,671	321,231
Community centre	490,627	435,441
Cultural facilities	298,474	273,328
Recreation and cultural programs	386,176	418,918
Library	22,750	22,627
Jack Byrne Arena	541,799	509,765
Jack Byrne Arena amortization	31,666	24,248
	3,292,007	3,147,313
Fiscal Services		
Debt charges from all sources	328,161	284,377
Bank charges and other fiscal services	25,733	24,446
Early payment discounts	235,369	(22,249)
	589,263	286,574
Total Expenses	\$ 12,363,907	\$ 11,571,630

CS Ka

The accompanying notes are an integral part of these financial statements

TOWN OF TORBAY
Consolidated Schedule of Tangible Capital Assets (Schedule 3)
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	Torbay Volunteer Fire Department	North East Avalon Arena (Jack Byrne Arena)	Assets Under Construction	Transportation	Water and Sewer	
Cost										
Opening costs	\$ 4,315,237	\$ 18,689,017	\$ 5,230,905	\$ 382,672	\$ 2,004,045	\$ 8,535,343	\$ 2,126,241	\$ 21,667,403	\$ 10,906,309	\$ 73,857,172
Additions during the year	614,111	64,366	386,127	6,525	108,101	11,101	795,839	823,630	69,545	2,879,345
Disposals and write downs	(15,480)	-	(165,379)	-	-	-	-	-	-	(851,505)
Closing Costs	\$ 4,913,868	\$ 18,753,383	\$ 5,451,653	\$ 389,197	\$ 2,112,146	\$ 8,546,444	\$ 2,922,080	\$ 22,491,033	\$ 10,975,854	\$ 76,555,658
Accumulated amortization										
Opening accum'd amortization	\$ 1,168,571	\$ 3,389,186	\$ 2,508,565	\$ 337,560	\$ 932,851	\$ 4,177,939	\$ -	\$ 14,167,469	\$ 6,885,900	\$ 33,568,041
Amortization	186,100	447,534	369,759	18,925	118,015	268,389	-	880,418	315,151	2,618,172
Disposals and write downs	(15,480)	-	(165,379)	-	-	-	-	-	-	(851,507)
Closing accum'd amortization	\$ 1,339,191	\$ 3,836,720	\$ 2,712,945	\$ 356,485	\$ 1,050,866	\$ 4,446,328	\$ -	\$ 15,047,887	\$ 7,201,051	\$ 35,991,473
Net book value of tangible capital assets	\$ 3,574,677	\$ 14,916,663	\$ 2,738,708	\$ 32,712	\$ 1,061,280	\$ 4,100,116	\$ 2,922,080	\$ 7,443,146	\$ 3,774,803	\$ 40,564,185
										\$ 40,289,131

CO A6

The accompanying notes are an integral part of these financial statements

TOWN OF TORBAY

Consolidated Reconciliation of the Financial Plan to Budget (Schedule 4)

Year Ended December 31, 2024

	Financial Plan	Amortization (TCA)	Interest Expense	Consolidated Entities	Transfers	PSAB Budget
Revenues						
Taxation	9,766,135	-				9,766,135
Sale of goods and services	355,589					355,589
Grants and transfers	567,508					567,508
Investments	204,000					204,000
Other revenue	149,000			549,988		698,988
Transfers from (to) reserves	779,826				601,305	1,381,131
Total Revenues	11,822,058					12,973,351
Expenses						
General government services	2,255,548	56,577				2,312,125
Protective services	732,395	119,725				852,120
Transportation services	2,398,580	1,279,234				3,677,814
Environmental health services	1,148,086	314,539				1,462,625
Regional planning and development	881,802	3,421				885,223
Recreation and cultural Services	2,008,689	830,797	-	541,799	-	3,381,285
Fiscal services						
Capital expenditures	702,300				(702,300)	-
Debt charges	1,620,658		(1,292,499)			328,159
Other	74,000					74,000
Total Expenses	11,822,058	2,604,293	(1,292,499)	541,799	(702,300)	12,973,351
Surplus (deficit)	-	(2,604,293)	1,292,499	(541,799)	702,300	-

S
XQ

The accompanying notes are an integral part of these financial statements