

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW,  
CAVENDISH AND NORTH RUSTICO**

**Non-Consolidated Financial Statements**

**March 31, 2024**

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Index to Non-Consolidated Financial Statements**

**March 31, 2024**

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	Page
MANAGEMENT'S RESPONSIBILITY FOR THE NON-CONSOLIDATED FINANCIAL STATEMENTS	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
NON-CONSOLIDATED FINANCIAL STATEMENTS	
Non-Consolidated Statement of Financial Position	4
Non-Consolidated Statement of Operations	5
Non-Consolidated Statement of Changes in Net Financial Assets	6
Non-Consolidated Statement of Cash Flows	7
Notes to Non-Consolidated Financial Statements	8 - 14
Schedules to Non-Consolidated Financial Statements	15 - 16

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## MANAGEMENT'S RESPONSIBILITY FOR THE NON-CONSOLIDATED FINANCIAL STATEMENTS

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The non-consolidated financial statements of the Resort Municipality of Stanley Bridge, Hope River, Bayview, Cavendish and North Rustico are the responsibility of management and have been prepared in accordance with Canadian Accounting Standards for the Public Sector. A summary of the significant accounting policies are described in the non-consolidated financial statements. The preparation of non-consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current period cannot be finalized with a certainty until future periods.

To meet its responsibility, 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.

Mayor and Council meet with management and the external auditors to review the non-consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the non-consolidated financial statements.

The non-consolidated financial statements have been audited by MRSB Chartered Professional Accountants Inc., independent external auditors appointed by the Municipality. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the non-consolidated financial statements.

On behalf of the Resort Municipality of Stanley Bridge, Hope River, Bayview, Cavendish and North Rustico:



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Mayor

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## INDEPENDENT AUDITOR'S REPORT

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### **To the Mayor and Councillors of the Resort Municipality of Stanley Bridge, Hope River, Bayview, Cavendish and North Rustico**

#### Opinion

We have audited the non-consolidated financial statements of the Resort Municipality of Stanley Bridge, Hope River, Bayview, Cavendish and North Rustico (the Municipality), which comprise the non-consolidated statement of financial position as at March 31, 2024, and the non-consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes and schedules to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for the Public Sector.

#### 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 Non-Consolidated Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with Canadian Accounting Standards for the Public Sector, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

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## Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-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 non-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 non-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 Municipality'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 Municipality'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 non-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 Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*MRSB Chartered Professional Accountants Inc.*

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

Charlottetown, PE

August 19, 2024

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Non-Consolidated Statement of Financial Position**

**March 31, 2024**

	<b>2024</b>	<b>2023</b>
<b>Financial assets</b>		
Cash		
Unrestricted cash	\$ 554,273	\$ 643,152
Restricted cash	58,130	178,890
Accounts receivable (Note 3)	86,024	17,656
Due from related party	-	72,510
Funds held in trust	29,384	48,185
Recreation fund (Note 4)	62,145	54,692
Contingency fund (Note 5)	17,696	17,378
	<b>807,652</b>	<b>1,032,463</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	91,358	104,268
Security deposits payable	29,384	48,185
Deferred revenue (Note 6)	83,948	296,468
Long term debt (Note 7)	66,191	97,322
Due to related party	72,093	-
	<b>342,974</b>	<b>546,243</b>
<b>Net financial assets</b> (Statement 6)	<b>464,678</b>	<b>486,220</b>
<b>Non-financial assets</b>		
Prepaid expense	13,907	13,518
Tangible capital assets (Schedules 1 and 2)	1,526,297	1,585,811
Intangibles (Note 8)	108,262	89,244
	<b>1,648,466</b>	<b>1,688,573</b>
<b>Accumulated surplus</b> (Statement 5)	<b>\$ 2,113,143</b>	<b>\$ 2,174,792</b>

**Lease Commitments** (Note 9)

**ON BEHALF OF COUNCIL**

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Councillor

Notes 1 - 15 are an integral part of these non-consolidated financial statements

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Non-Consolidated Statement of Operations**

**Year Ended March 31, 2024**

	Budget 2024	Actual 2024	Actual 2023
<b>Revenues</b>			
Municipal tax	\$ 326,689	\$ 356,291	\$ 328,437
Building permits	6,000	26,989	17,981
Administration fees	21,000	20,480	20,480
Government transfers for operations (Note 12)	-	12,714	8,275
Interest	5,000	10,145	5,404
Miscellaneous	10,000	3,420	3,260
	<u>368,689</u>	<u>430,039</u>	<u>383,837</u>
<b>Expenditures</b>			
Advertising	3,500	5,545	520
Amortization of intangible assets	-	15,111	19,659
Amortization of tangible capital assets	98,403	101,144	100,732
Community projects	30,000	36,739	9,051
Election	-	-	5,312
Federation dues	850	736	672
Fire protection	85,000	90,544	83,564
Honorariums	20,000	18,100	15,649
Hospitality	8,000	6,011	3,564
Insurance	13,000	13,381	11,885
Interest and bank charges	500	263	76
Meetings and seminars	1,000	472	1,102
Office	12,000	10,739	10,896
Professional fees	72,000	39,520	22,503
Property tax and sewer	600	528	530
Recreation rebate	250	100	100
Rent	12,000	11,319	11,319
Street lighting and maintenance	37,000	46,778	41,709
Telephone	5,000	4,793	4,477
Travel	7,500	6,702	6,435
Wages and wage levies	145,000	138,220	126,851
	<u>551,603</u>	<u>546,745</u>	<u>476,606</u>
<b>Operating deficit</b>	<b>(182,914)</b>	<b>(116,706)</b>	<b>(92,769)</b>
<b>Other revenues</b>			
Government transfers for capital (Note 12)	-	47,286	26,593
<b>Annual deficit</b>	<b>(182,914)</b>	<b>(69,420)</b>	<b>(66,176)</b>
<b>Accumulated surplus - beginning of year</b>	<b>2,174,792</b>	<b>2,174,792</b>	<b>2,240,276</b>
<b>Change in restricted funds</b>	<b>-</b>	<b>7,771</b>	<b>692</b>
<b>Accumulated surplus - end of year (Note 10)</b>	<b>\$ 1,991,878</b>	<b>\$ 2,113,143</b>	<b>\$ 2,174,792</b>

Notes 1 - 15 are an integral part of these non-consolidated financial statements

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Non-Consolidated Statement of Changes in Net Financial Assets**

**Year Ended March 31, 2024**

	Budget 2024	Actual 2024	Actual 2023
<b>Annual deficit</b>	\$ (182,914)	\$ (69,420)	\$ (66,176)
Amortization of tangible capital assets	98,403	101,144	100,732
Purchase of tangible capital assets	-	(41,629)	(26,823)
Amortization of intangible assets	-	15,111	19,659
Purchase of intangible assets	-	(34,129)	(59,442)
Increase in prepaid expense	-	(388)	(366)
Increase in recreation fund	-	7,451	508
Increase in contingency fund	-	318	184
	98,403	47,878	34,452
<b>Decrease in net financial assets</b>	<b>(84,511)</b>	<b>(21,542)</b>	<b>(31,724)</b>
<b>Net financial assets - beginning of year</b>	<b>486,220</b>	<b>486,220</b>	<b>517,944</b>
<b>Net financial assets - end of year</b>	<b>\$ 401,709</b>	<b>\$ 464,678</b>	<b>\$ 486,220</b>

Notes 1 - 15 are an integral part of these non-consolidated financial statements

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Non-Consolidated Statement of Cash Flows  
Year Ended March 31, 2024**

	2024	2023
<b>Cash flows from operating activities</b>		
Annual deficit	\$ (69,420)	\$ (66,176)
Items not affecting cash:		
Amortization of tangible capital assets	101,144	100,732
Amortization of intangible assets	15,111	19,659
	<u>46,835</u>	<u>54,215</u>
Changes in non-cash working capital:		
Accounts receivable	(68,368)	282,380
Funds held in trust	18,801	(7,727)
Prepaid expense	(388)	(366)
Accounts payable and accrued liabilities	(12,912)	30,836
Security deposits payable	(18,801)	7,727
Deferred revenue	(212,520)	69,413
	<u>(294,188)</u>	<u>382,263</u>
	<u>(247,353)</u>	<u>436,478</u>
<b>Cash flows from capital activities</b>		
Purchase of tangible capital assets	(41,629)	(26,823)
Purchase of intangible assets	(34,129)	(59,442)
	<u>(75,758)</u>	<u>(86,265)</u>
<b>Cash flows from financing activities</b>		
Advances from related party	144,603	48,495
Repayment of long term debt	(31,131)	(29,890)
	<u>113,472</u>	<u>18,605</u>
<b>Increase (decrease) in cash</b>	<b>(209,639)</b>	<b>368,818</b>
<b>Cash - beginning of year</b>	<b>822,042</b>	<b>453,224</b>
<b>Cash - end of year</b>	<b>\$ 612,403</b>	<b>\$ 822,042</b>
<b>Cash consists of:</b>		
Unrestricted cash	\$ 554,273	\$ 643,152
Restricted cash	58,130	178,890
	<u>\$ 612,403</u>	<u>\$ 822,042</u>

Notes 1 - 15 are an integral part of these non-consolidated financial statements

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2024**

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**1. DESCRIPTION OF BUSINESS**

The Resort Municipality of Stanley Bridge, Hope River, Bayview, Cavendish and North Rustico (the "Municipality") was incorporated under the Municipalities Act of Prince Edward Island. The Municipality is a non-profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met. Its principal activities include the provision of local government services to residents of the incorporated area.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The non-consolidated financial statements of the Resort Municipality of Stanley Bridge, Hope River, Bayview, Cavendish and North Rustico are the representations of management prepared in accordance with Canadian Accounting Standards for the Public Sector.

The non-consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs and in the completion of specific work. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the year when the related expenditures are incurred, services are performed or the tangible capital assets are acquired.

Cash

Cash is comprised of unrestricted, internally restricted and restricted balances on deposits with banks and short term indebtedness.

Accounts receivable

Accounts receivable arise from government funding receivable, Harmonized Sales Tax receivable and other miscellaneous receivables. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

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RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO

Notes to Non-Consolidated Financial Statements

Year Ended March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible capital assets

Tangible capital assets are stated at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized over the useful life on a straight-line basis as follows:

Street lights	25 years
Land improvements	20 years
Leasehold improvements	20 years
Sidewalks and trails	20 years
Heritage Park	20 years
Boardwalk	15 years
Fencing	10 years
Equipment	10 years
Signage	5 years
Computer equipment	5 years

The Municipality regularly reviews its tangible capital assets to eliminate obsolete items.

Intangible assets

Intangible assets are recorded at cost and amortized on a straight-line basis over their estimated useful lives.

Impairment of long lived assets

The Municipality tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Asset retirement obligation

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Non-Consolidated Statement of Operations. As at March 31, 2024, no asset retirement obligations have been identified by management.

Non-financial assets

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

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**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2024**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the non-consolidated financial statements as revenue in the year in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates on the amounts can be determined.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in surplus. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issuance of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

Revenue recognition

Property tax billings are based on the assessed value of real property in the Municipality and are payable in each calendar year. Municipal tax rates are reviewed, established, and approved annually by the Council. These revenues are recognized when received monthly from Province.

Revenue from transactions with performance obligations are recognized when (or as) the Municipality satisfies a performance obligation. Revenue from transactions with no performance obligations are recognized when the Municipality has the authority to claim or retain an inflow of economic resources and a past transaction has given rise to an asset.

Interest revenue is recognized on a time proportion basis.

Measurement uncertainty

The presentation of the non-consolidated financial statements in conformity with Canadian Accounting Standards for the Public Sector requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the non-consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. The following are areas in which management makes significant accounting estimates:

- The amounts recorded for amortization of tangible capital assets on the non-consolidated statement of operations and schedules is subject to management's assessment of the estimated useful life of the Resort's tangible capital assets;
- The recognized amounts of potential claims and liabilities depend on management's assessment of future costs and the probability these events will occur.

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2024**

**3. ACCOUNTS RECEIVABLE**

	<b>2024</b>	2023
Government funding receivable	\$ 75,370	\$ 11,800
Other receivables	6,422	1,921
HST receivable	4,232	3,934
	<b>\$ 86,024</b>	\$ 17,656

**4. RECREATION FUND**

The Members of Council have internally restricted the purpose for which recreation funds arising from subdivision fees may be used. During the year, the Members of Council did not approve the release of funds for the purpose of funding general operating activities.

	<b>2024</b>	2023
Balance - beginning of year	\$ 54,692	\$ 54,183
Subdivision fees	6,653	50
Interest	800	459
Balance - end of year	<b>\$ 62,145</b>	\$ 54,692

**5. CONTINGENCY FUND**

The Members of Council have internally restricted the purpose for which contingency funds set aside in an earlier fiscal year may be used. During the year, the Members of Council did not approve the release of any funds for the purpose of funding general operating activities.

	<b>2024</b>	2023
Balance - beginning of year	\$ 17,378	\$ 17,194
Interest	318	184
Balance - end of year	<b>\$ 17,696</b>	\$ 17,378

**6. DEFERRED REVENUE**

	<b>2024</b>	2023
Canada Community Building Fund	<b>\$ 83,948</b>	\$ 296,468

During the year, the Municipality was allocated \$100,000 under the Canada Community Building Fund and earned interest of \$2,160. Total funds expended for projects during the year totaled \$314,680. The Municipality must use its allocation for eligible infrastructure and capacity building projects.

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2024**

**7. LONG TERM DEBT**

	<b>2024</b>	<b>2023</b>
Canada Mortgage and Housing Corporation - 4.15%; repayable in annual blended installments of \$35,170. The loan matures on May 1, 2025.	<b>\$ 66,191</b>	<b>\$ 97,322</b>

Principal repayments of long term debt are expected to be repaid over the next two years as follows:

2025	\$ 32,423
2026	33,768

**8. INTANGIBLE ASSETS**

	<b>2024</b>	<b>2023</b>
Official plan	<b>\$ 134,669</b>	\$ 121,990
Water study	<b>33,502</b>	12,052
Accumulated amortization	<b>(59,909)</b>	(44,798)
	<b>\$ 108,262</b>	<b>\$ 89,244</b>

**9. LEASE COMMITMENT**

The Municipality has entered into a lease agreement with the Department of Transportation and Public Works for the lease of office space. The lease is due to expire February 28, 2027 at an annual fixed rate of \$10,290.

The Municipality has entered into a lease agreement with RCAP leasing for the lease of a photocopier. The lease payments due over the next year are \$1,208.

**10. ACCUMULATED SURPLUS**

	<b>2024</b>	<b>2023</b>
Unrestricted surplus	<b>\$ 464,936</b>	\$ 524,991
Restricted surplus		
Recreation fund (Note 4)	<b>62,145</b>	54,692
Contingency fund (Note 5)	<b>17,696</b>	17,378
Investment in tangible capital assets (Note 11)	<b>1,460,104</b>	1,488,487
Investment in intangible assets (Note 8)	<b>108,262</b>	89,244
	<b>\$ 2,113,143</b>	<b>\$ 2,174,792</b>

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2024**

**11. INVESTMENT IN TANGIBLE CAPITAL ASSETS**

	<b>2024</b>	<b>2023</b>
Tangible capital assets (Schedules 1 and 2)	\$ 2,983,509	\$ 2,941,878
Accumulated amortization (Schedules 1 and 2)	(1,457,214)	(1,356,069)
Long term debt (Note 7)	(66,191)	(97,322)
	<b>\$ 1,460,104</b>	<b>\$ 1,488,487</b>

**12. GOVERNMENT TRANSFERS**

	<b>2024</b>	<b>2023</b>
<u>Government transfers for operations</u>		
Province of PEI Transportation and Infrastructure	\$ 5,929	\$ 5,635
Province of PEI - 2 Billion Tree Program	4,485	-
Province of PEI - Seniors' Secretariat Grant	1,500	-
Innovation PEI	800	-
Canada Heritage	-	2,640
	<b>12,714</b>	<b>8,275</b>

Government transfers for capital

Province of PEI Transportation and Infrastructure	35,870	-
Municipal Capital Expenditure Grant	6,899	9,821
Canada Community Building Fund	4,517	7,028
Investing in Canada Infrastructure Program	-	9,744
	<b>47,286</b>	<b>26,593</b>
	<b>\$ 60,000</b>	<b>\$ 34,868</b>

**13. BUDGET FIGURES**

A reconciliation of the 2024 fiscal operating budget prepared by Council to the budget figures disclosed in the consolidated financial statements is as follows:

	<b>2024</b>
Resort Municipality budgeted annual deficit	\$ -
Deduct: Prior year surplus	(182,914)
	<b>\$ (182,914)</b>

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH  
AND NORTH RUSTICO**

**Notes to Non-Consolidated Financial Statements**

**Year Ended March 31, 2024**

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**14. RELATED PARTY TRANSACTIONS**

During the year, Resort Municipality of Stanley Bridge, Hope River, Bayview, Cavendish and North Rustico received administrative fees in the amount of \$21,513 (2023 - \$20,480) and paid sewer fees of \$528 (2023 - \$530) to the Cavendish Sewer Utility, a related party.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**15. FINANCIAL INSTRUMENTS**

The Municipality's financial instruments consist of cash, restricted cash, accounts receivable, funds held in trust, accounts payable and accrued liabilities, security deposits payable, and long term debt.

The Municipality is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Municipality's risk exposure and concentration as of March 31, 2024.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Municipality is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Municipality has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Municipality is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, and accounts payable.

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH AND NORTH RUSTICO**  
**Schedules to Non-Consolidated Financial Statements**  
**Tangible Capital Assets**  
**Year Ended March 31, 2024**  
**(Schedule 1)**

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
<b>Resort Municipality</b>									
Land	\$ 58,200	\$ 100	\$ -	\$ 58,300	\$ -	\$ -	\$ -	\$ -	\$ 58,300
Street lights	138,036	-	-	138,036	104,398	1,525	-	105,923	32,113
Land improvements	4,500	-	-	4,500	3,319	225	-	3,544	956
Leasehold improvements	61,166	-	-	61,166	61,166	-	-	61,166	-
Sidewalks and trails	964,707	-	-	964,707	193,446	48,236	-	241,682	723,025
Heritage Park	823,435	-	-	823,435	155,457	41,172	-	196,629	626,806
Boardwalk	808,221	35,869	-	844,090	803,552	2,045	-	805,597	38,493
Fencing	53,021	-	-	53,021	14,839	5,017	-	19,856	33,165
Equipment	10,039	5,480	-	15,519	5,038	1,084	-	6,122	9,397
Signage	9,481	181	-	9,662	8,824	320	-	9,144	518
Computer equipment	11,073	-	-	11,073	6,030	1,521	-	7,551	3,522
	<b>\$ 2,941,878</b>	<b>\$ 41,629</b>	<b>\$ -</b>	<b>\$ 2,983,509</b>	<b>\$ 1,356,069</b>	<b>\$ 101,144</b>	<b>\$ -</b>	<b>\$ 1,457,214</b>	<b>\$ 1,526,297</b>

Notes 1 - 15 are an integral part of these non-consolidated financial statements

**RESORT MUNICIPALITY OF STANLEY BRIDGE, HOPE RIVER, BAYVIEW, CAVENDISH AND NORTH RUSTICO**  
**Schedules to Non-Consolidated Financial Statements**  
**(Schedule 2)**

**Tangible Capital Assets**  
**Year Ended March 31, 2023**

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
<b>Resort Municipality</b>									
Land	\$ 58,200	\$ -	\$ -	\$ 58,200	\$ -	\$ -	\$ -	\$ -	\$ 58,200
Street lights	132,939	5,097	-	138,036	102,873	1,525	-	104,398	33,638
Land improvements	4,500	-	-	4,500	3,094	225	-	3,319	1,181
Leasehold improvements	61,166	-	-	61,166	61,166	-	-	61,166	-
Sidewalks and trails	964,707	-	-	964,707	145,210	48,237	-	193,446	771,261
Heritage Park	809,034	14,401	-	823,435	114,285	41,172	-	155,457	667,978
Boardwalk	808,221	-	-	808,221	801,853	1,699	-	803,552	4,669
Fencing	53,021	-	-	53,021	9,822	5,017	-	14,839	38,182
Equipment	7,620	2,419	-	10,039	4,069	969	-	5,038	5,001
Signage	9,481	-	-	9,481	8,455	369	-	8,824	657
Computer equipment	6,167	4,906	-	11,073	4,509	1,521	-	6,030	5,043
	<b>\$ 2,915,056</b>	<b>\$ 26,823</b>	<b>\$ -</b>	<b>\$ 2,941,878</b>	<b>\$ 1,255,336</b>	<b>\$ 100,732</b>	<b>\$ -</b>	<b>\$ 1,356,069</b>	<b>\$ 1,585,811</b>

Notes 1 - 15 are an integral part of these non-consolidated financial statements