

**COMMUNITY OF CRAPAUD**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

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## INDEPENDENT AUDITOR'S REPORT

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### TO THE CHAIRPERSON AND MEMBERS OF COUNCIL

#### *Report on the Consolidated Financial Statements*

We have audited the accompanying consolidated financial statements of the Community of Crapaud, which comprise the consolidated statement of financial position as at December 31, 2015, and the consolidated statements of operations, changes in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board, 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.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Community of Crapaud as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board.

*MRSB Chartered Professional Accountants*

CHARLOTTETOWN, P.E.I.

MARCH 14, 2016

**COMMUNITY OF CRAPAUD**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2015**

	2015	2014
<b>Financial Assets</b>		
Cash and cash equivalents		
Unrestricted	\$ 447,038	\$ 371,076
Restricted	322,872	244,395
Accounts receivable	83,851	73,594
	<b>853,761</b>	<b>689,065</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	18,221	18,977
Deferred revenue - Note 3	324,711	244,395
Long term debt - Note 4	553,794	611,073
	<b>896,726</b>	<b>874,445</b>
<b>Net Debt - Statement 3</b>	<b>(42,965)</b>	<b>(185,380)</b>
<b>Non-Financial Assets</b>		
Tangible capital assets - Schedule 1	3,598,924	3,670,302
Prepaid expenses	10,165	13,584
Land held for resale	4,425	6,605
	<b>3,613,514</b>	<b>3,690,491</b>
<b>Accumulated Surplus</b>	<b>\$ 3,570,549</b>	<b>\$ 3,505,111</b>
<b>Municipal Position</b>		
Accumulated surplus - Statement 2	<b>\$ 3,570,549</b>	<b>\$ 3,505,111</b>

(Notes 1 to 13 are an integral part of these consolidated financial statements)

**ON BEHALF OF THE COMMUNITY COUNCIL:**

\_\_\_\_\_ Chairperson

\_\_\_\_\_ Councilor

**COMMUNITY OF CRAPAUD  
CONSOLIDATED STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2015**

	<i>Budget 2015</i>	<i>Actual 2015</i>	<i>Actual 2014</i>
<b>Revenue</b>			
General - Schedule 2	\$ 301,685	\$ 322,202	\$ 301,015
Sewerage - Schedule 5	81,097	85,793	83,067
Water - Schedule 6	21,708	21,970	21,795
	<u>404,490</u>	<u>429,965</u>	<u>405,877</u>
 <b>Expenditures</b>			
General - Schedule 2	330,790	275,543	296,854
Sewerage- Schedule 5	75,304	81,814	85,932
Water - Schedule 6	26,764	33,538	27,667
	<u>432,858</u>	<u>390,895</u>	<u>410,453</u>
 <b>Net Revenue (Expenditures) From Operations</b>	(28,368)	39,070	(4,576)
 <b>Other and Transfers</b>			
Government transfers for capital - Note 6	25,000	26,368	60,218
	<u>25,000</u>	<u>26,368</u>	<u>60,218</u>
 <b>Change in Fund Balances</b>	<u>\$ (3,368)</u>	65,438	55,642
 <b>Accumulated Surplus - Beginning of Year</b>		<u>3,505,111</u>	3,449,469
 <b>Accumulated Surplus - End of Year - Note 7</b>		<u>\$ 3,570,549</u>	<u>\$ 3,505,111</u>
 <b>Change in Fund Balances</b>			
General - Schedule 2		\$ 54,486	\$ 36,102
Sewerage - Schedule 5		3,979	7,972
Water - Schedule 6		6,973	11,568
		<u>\$ 65,438</u>	<u>\$ 55,642</u>

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**COMMUNITY OF CRAPAUD  
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT  
YEAR ENDED DECEMBER 31, 2015**

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	2015	2014
<i>Change in fund balances</i>	\$ 65,438	\$ 55,642
<i>Amortization of tangible capital assets</i>	104,525	116,645
<i>Purchase of tangible capital assets</i>	(33,147)	(129,353)
<i>(Increase) decrease in prepaid expenses</i>	3,419	(1,495)
<i>(Increase) decrease in land held for resale</i>	2,180	(6,605)
<i>Reallocation of land held for resale</i>	-	4,383
	142,415	39,217
<b><i>Decrease in Net Debt</i></b>	<b>142,415</b>	<b>39,217</b>
<b><i>Net Debt - Beginning of Year</i></b>	<b>(185,380)</b>	<b>(224,597)</b>
<b><i>Net Debt - End of Year</i></b>	<b>\$ (42,965)</b>	<b>\$ (185,380)</b>

**COMMUNITY OF CRAPAUD  
CONSOLIDATED STATEMENT OF CASH FLOW  
YEAR ENDED DECEMBER 31, 2015**

	2015	2014
<b>Cash Flows From Operating Activities</b>		
Change in fund balances	\$ 65,438	\$ 55,642
Amortization of tangible capital assets	104,525	116,645
(Increase) decrease in accounts receivable	(10,257)	147,281
(Increase) decrease in prepaid expenses	3,419	(1,496)
Decrease in accounts payable and accrued liabilities	(756)	(131,096)
Increase in deferred revenue	80,316	72,221
(Increase) decrease in land held for resale	2,180	(6,605)
	<b>244,865</b>	<b>252,592</b>
<b>Cash Flows From Capital Activities</b>		
Purchase of tangible capital assets	(33,147)	(129,353)
Reallocation of land held for resale	-	4,383
	<b>(33,147)</b>	<b>(124,970)</b>
<b>Cash Flows From Financing Activity</b>		
Repayment of long term debt	(57,279)	(55,237)
	<b>154,439</b>	<b>72,385</b>
<b>Increase in Cash and Cash Equivalents</b>		
	<b>615,471</b>	<b>543,086</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>		
	<b>\$ 769,910</b>	<b>\$ 615,471</b>
<b>Cash and Cash Equivalents - End of Year</b>		
	<b>\$ 769,910</b>	<b>\$ 615,471</b>
<b>Cash and Cash Equivalents Consists of:</b>		
Unrestricted	\$ 447,038	\$ 371,076
Restricted	322,872	244,395
	<b>\$ 769,910</b>	<b>\$ 615,471</b>
	<b>\$ 769,910</b>	<b>\$ 615,471</b>

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**COMMUNITY OF CRAPAUD  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

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## **1. Description of Business**

*The Community of Crapaud ("the Community") is incorporated under the Municipalities Act of Prince Edward Island. The Community is a non-profit organization under the Income Tax Act.*

## **2. Significant Accounting Policies**

### **Basis of Preparation**

*The consolidated financial statements of the Community of Crapaud are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Professional Accountants.*

*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. 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 period when the related expenditures are incurred, services are performed or the tangible capital assets are acquired.*

### **Basis of Consolidation**

*The consolidated financial statements for the Community of Crapaud reflect the assets, liabilities, revenues, expenditures, change in net debt and change in financial position of the Community. The Community is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Community and are, therefore, accountable to the Community Council for the administration of their financial affairs and resources. Included with the municipality are the following:*

*Community of Crapaud  
Community of Crapaud Water Corporation  
Community of Crapaud Sewerage Corporation*

### **Cash and Cash Equivalents**

*Cash and cash equivalents comprises cash on hand, cash in banks and short-term investments.*

### **Accounts Receivable**

*Accounts receivable arise from water and sewer dues, funding agreements, and Harmonized Sales Tax receivable. 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 non-collectible 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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**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

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**2. Significant Accounting Policies (cont'd)**

**Tangible Capital Assets**

Tangible capital assets are recorded 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 on a straight-line basis over the estimated useful lives as follows:

General:

Buildings	2.5%
Fire vehicles	6.67%
Equipment	10.0%
Electronic equipment	25.0%
Signage	10.0%

Sewer and water:

Sewerage system	1.2%
Sewerage equipment	5.0%
Water system	1.2%
Wells and springs	1.2%

Full amount of the annual amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use. No amortization is recorded in the year of disposal.

Equipment, furniture, software, buildings and improvements with a cost in excess of \$500 and an estimated useful life of two years or more are capitalized at cost.

All costs associated with placing an asset in service, including freight, installation costs, site preparation costs, alterations, and professional fees are included in the capitalized cost.

Interest expense on capital debt incurred during the construction or renovation of an asset is included in the capitalized value. No interest was capitalized during the current or preceding periods.

**Land Held for Resale**

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare land for servicing. Related development costs incurred to provide infrastructure are recorded as physical assets under the respective function.

**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 consolidated financial statements as revenue in the period 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.

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**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

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## **2. Significant Accounting Policies (cont'd)**

### **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 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.*

### **Revenue Recognition**

*The Community follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.*

### **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 income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.*

### **Use of Estimates**

*The presentation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue 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 statement of operations is subject to management's assessment of the estimated useful life of the Community's tangible capital assets; and*
- *The recognized amounts of potential claims and liabilities depend on management's assessment of future costs and the probability these events will occur.*

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**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

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**3. Deferred Revenue**

	2015	2014
Gas tax		
Balance - beginning of year	\$ 241,895	\$ 172,173
Allocation received during the year	100,000	100,000
Interest	1,928	88
Eligible expenditures incurred	<u>(20,951)</u>	<u>(30,366)</u>
Balance - end of year	<u>322,872</u>	<u>241,895</u>
Other		
Balance - beginning of year	2,500	-
Amounts received during the year	-	32,156
Expenditures incurred	<u>(661)</u>	<u>(29,656)</u>
Balance - end of year	<u>1,839</u>	<u>2,500</u>
Total deferred revenue	<u>\$ 324,711</u>	<u>\$ 244,395</u>

Under the New Deal Gas Tax Funding for Incorporated Communities and the New Deal for Cities & Communities, the Community is allocated \$100,000 per year for fiscal years ending March 31, 2015 - 2019. These funds, along with interest earned, must be used for eligible infrastructure and capacity building projects. Any funds received under this program, including interest earned, but not yet spent are recognized as deferred revenue at the end of the year.

**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**4. Long Term Debt**

2015                      2014

**General**

Bank of Nova Scotia - prime; repayable in monthly principal installments of \$2,431 plus interest. The loan is renewable on July 21, 2016, is amortized to 2018, and is secured by a borrowing resolution and a fire truck with a carrying value of \$198,924.

\$ 75,329      \$ 104,501

**Sewer Utility**

Bank of Nova Scotia - prime; repayable in monthly principal installments of \$1,559 plus interest. The loan is renewable on December 1, 2020, is amortized to 2035, and is secured by a borrowing resolution.

373,502                      392,218

Bank of Nova Scotia - prime plus 1%; repayable in monthly principal installments of \$352 plus interest. The loan is renewable on January 4, 2021, is amortized to 2026, and is secured by a borrowing resolution.

42,258                      45,210

CMHC - 10%; repayable in annual blended installments of \$2,225. The loan matures on June 1, 2017.

4,038                      5,784

419,798                      443,212

**Water Utility**

Bank of Nova Scotia - prime; repayable in monthly principal installments of \$391 plus interest. The loan is renewable on June 30, 2016, is amortized to 2028, and is secured by a borrowing resolution.

58,667                      63,360

\$ 553,794      \$ 611,073

Principal portion of long term debt is expected to be repaid over the next five years as follows:

	General	Sewer	Water	Total
2016	\$ 29,172	\$ 24,956	\$ 4,693	\$ 58,821
2017	29,172	24,946	4,693	58,811
2018	16,985	22,932	4,693	44,610
2019	-	22,932	4,693	27,625
2020	-	22,932	4,693	27,625

**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**5. Government Transfers for Operations**

	2015	2014
<b>General</b>		
Provincial equalization grant	\$ 26,013	\$ 26,013
Provincial wage grants	11,667	11,968
Sponsorships of Community events	1,100	600
	<b>\$ 38,780</b>	<b>\$ 38,581</b>

**6. Government Transfers for Capital**

<b>General</b>		
Rural Development PEI - Island Community Fund	\$ 3,007	\$ 9,493
Provincial infrastructure funding	2,410	17,711
New Deals Gas Tax	2,410	6,108
Federal funding	-	(1,371)
	<b>7,827</b>	<b>31,941</b>
<b>Sewer Utility</b>		
New Deals Gas Tax	-	6,782
Build Canada Fund	-	4,055
	-	10,837
<b>Water Utility</b>		
New Deals Gas Tax	18,541	17,440
	<b>\$ 26,368</b>	<b>\$ 60,218</b>

**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**7. Accumulated Surplus**

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2015	2014
Unrestricted surplus	\$ 402,374	\$ 334,285
Reserve funds - Note 8	123,045	111,597
Equity in tangible capital assets - Note 9	<u>3,045,130</u>	<u>3,059,229</u>
	<u>\$ 3,570,549</u>	<u>\$ 3,505,111</u>

**8. Reserve Funds**

Balance - beginning of year	\$ 111,597	\$ 117,885
Allocation to (from) fire reserve	<u>11,448</u>	<u>(6,288)</u>
Balance - end of year	<u>\$ 123,045</u>	<u>\$ 111,597</u>

**9. Equity in Tangible Capital Assets**

Tangible capital assets - Schedule 1	\$ 4,805,905	\$ 4,772,758
Accumulated amortization - Schedule 1	<u>(1,206,981)</u>	<u>(1,102,456)</u>
Long term debt - Note 4	<u>(553,794)</u>	<u>(611,073)</u>
	<u>\$ 3,045,130</u>	<u>\$ 3,059,229</u>

**10. Budget Figures**

A reconciliation of the 2015 fiscal operating budget prepared by Council to the budget figures disclosed in the consolidated financial statements is as follows:

	2015
Community of Crapaud budgeted annual deficit	\$ (4,105)
Community of Crapaud Water Utility annual deficit	(5,056)
Community of Crapaud Sewer Utility annual surplus	<u>5,793</u>
	<u>\$ (3,368)</u>

The columns presented as budget on the statement of operations and the attached schedules were not subject to audit or review by the external auditor.

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**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

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**11. Financial Instruments**

*The Community's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and long term debt.*

*The Community 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 Community's risk exposure and concentration as of December 31, 2015.*

**Credit risk**

*Credit risk arises from the potential that a counter party will fail to perform its obligations. The Community 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 Community has a significant number of customers which minimizes concentration of credit risk.*

**Interest rate risk**

*Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Community manages exposure through its normal operating and financing activities. The Community is exposed to interest rate risk primarily through its floating interest rate credit facilities.*

**12. Rate Regulation**

*The Community of Crapaud is subject to rate regulation on the sewer and water utilities provided to residents in Prince Edward Island under the Island Regulatory & Appeals Commissions Act. The purpose of this Act, which is administered by the Island Regulatory & Appeals Commission (IRAC), is to regulate the rate municipalities may charge for sewer and water utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for sewer and water services.*

*Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to sewer utility rates with IRAC. The commission will review these requests and adjust the price accordingly.*

**13. Rate Regulation**

*Certain of the prior year figures have been reclassified to conform to current year consolidated financial statement presentation.*

**COMMUNITY OF CRAPAUD  
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
TANGIBLE CAPITAL ASSETS  
YEAR ENDED DECEMBER 31, 2015**

	Cost beginning of year	Additions	Disposals/ adjustments	Cost end of year	Amort in year	Accum amort	NBV 2015	Schedule 1 NBV 2014
<b>General</b>								
Land	\$ 571,924	\$ -	\$ -	\$ 571,924	\$ -	\$ -	\$ 571,924	\$ 571,924
Buildings	777,156	-	-	777,156	19,429	345,695	431,461	450,890
Fire vehicles	689,489	-	-	689,489	33,516	400,781	288,708	322,224
Equipment	283,853	11,854	-	295,707	21,759	164,172	131,535	141,440
Electronic equipment	3,130	-	-	3,130	314	2,501	629	943
Signage	-	2,752	-	2,752	275	275	2,477	-
	<b>\$ 2,325,552</b>	<b>\$ 14,606</b>	<b>\$ -</b>	<b>\$ 2,340,158</b>	<b>\$ 75,293</b>	<b>\$ 913,424</b>	<b>\$ 1,426,734</b>	<b>\$ 1,487,421</b>
<b>Sewer and water</b>								
Lagoon	\$ 2,693	\$ -	\$ -	\$ 2,693	\$ -	\$ -	\$ 2,693	\$ 2,693
Sewerage system	2,144,915	-	-	2,144,915	25,763	247,593	1,897,322	1,923,085
Sewerage equipment	13,628	-	-	13,628	37	12,974	654	691
Water system	127,479	18,541	-	146,020	1,530	25,538	120,482	103,471
Wells and springs	158,491	-	-	158,491	1,902	7,452	151,039	152,941
	<b>\$ 2,447,206</b>	<b>\$ 18,541</b>	<b>\$ -</b>	<b>\$ 2,465,747</b>	<b>\$ 29,232</b>	<b>\$ 293,557</b>	<b>\$ 2,172,190</b>	<b>\$ 2,182,881</b>
<b>Total tangible capital assets</b>	<b>\$ 4,772,758</b>	<b>\$ 33,147</b>	<b>\$ -</b>	<b>\$ 4,805,905</b>	<b>\$ 104,525</b>	<b>\$ 1,206,981</b>	<b>\$ 3,598,924</b>	<b>\$ 3,670,302</b>

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF OPERATIONS - GENERAL ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2015**

	<i>Budget</i>	<i>Actual</i>	<i>Actual</i>
	<i>2015</i>	<i>2015</i>	<i>2014</i>
<b>Schedule 2</b>			
<b>Revenue</b>			
Fire dues	\$ 137,000	\$ 152,812	\$ 136,930
Real property tax	92,200	92,352	90,983
Government transfers for operations - Note 5	38,850	38,780	38,581
Rent	33,235	34,557	32,620
Interest	400	2,181	376
Other	-	1,520	1,525
	301,685	322,202	301,015
<b>Expenditures</b>			
Fire Protection - Schedule 3	143,905	141,364	143,218
General Government - Schedule 3	102,235	73,891	92,579
Medical and Professional Centre - Schedule 4	59,745	33,716	39,983
Parks and Public Property - Schedule 4	11,905	14,555	9,694
Recreation - Schedule 4	3,500	3,093	2,235
Streets - Schedule 4	9,500	8,924	9,145
	330,790	275,543	296,854
<b>Net Revenue (Expenditures) From Operations</b>	(29,105)	46,659	4,161
<b>Other and Transfers</b>			
Government transfers for capital - Note 6	25,000	7,827	31,941
<b>Change in Fund Balance</b>	\$ (4,105)	\$ 54,486	\$ 36,102

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF EXPENDITURES - GENERAL ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2015**

	Budget 2015	Actual 2015	Schedule 3 Actual 2014
<b>Fire Protection</b>			
Amortization of tangible capital assets	\$ 65,000	\$ 55,554	\$ 67,975
Gas and oil	2,750	1,641	2,546
Heat	-	4,559	-
Honorariums	27,780	27,813	27,272
Insurance - firemen	1,200	1,150	1,150
Insurance - trucks	7,300	5,689	7,268
Interest and bank charges	75	151	51
Interest on long term debt	3,000	2,553	3,603
Office and postage	5,000	5,079	4,853
Repairs and maintenance	7,000	8,294	6,468
Telephone and radio	3,500	3,297	3,177
Training and mileage	2,500	4,525	2,360
Utilities	-	2,682	-
	<b>125,105</b>	<b>122,987</b>	<b>126,723</b>
Transfers:			
Expenses allocated from general government	-	8,089	-
Expenses allocated from medical and professional centre	18,800	10,288	16,495
	<b>\$ 143,905</b>	<b>\$ 141,364</b>	<b>\$ 143,218</b>
<b>General Government</b>			
Advertising	\$ 8,500	\$ 4,558	\$ 3,215
Amortization of tangible capital assets	7,500	3,635	4,162
Dues	1,000	954	940
Fire protection	10,285	10,285	10,285
Honorariums	14,200	10,930	11,810
Interest and bank charges	1,000	2,881	377
Liability insurance	11,250	10,742	9,815
Library	-	1,255	-
Office and postage	3,000	3,911	3,346
Professional fees	12,000	12,143	12,335
Property tax	-	-	5,264
Telephone	1,800	1,146	1,702
Travel and meetings	600	759	465
Wages and wage levies	40,000	37,921	36,539
	<b>111,135</b>	<b>101,120</b>	<b>100,255</b>
Transfers:			
Expenses allocated to fire protection	-	(8,089)	-
Expenses allocated from medical and professional centre	2,700	-	2,357
Expenses allocated to sewerage and water	(11,600)	(19,140)	(10,033)
	<b>\$ 102,235</b>	<b>\$ 73,891</b>	<b>\$ 92,579</b>

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF EXPENDITURES - GENERAL ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2015**

	<i>Budget</i> 2015	<i>Actual</i> 2015	<i>Actual</i> 2014
<b>Schedule 4</b>			
<b>Medical and Professional Centre</b>			
Amortization of tangible capital assets	\$ 10,000	\$ 11,705	\$ 11,705
Electricity	12,100	8,269	11,686
Garbage collection	1,450	1,308	1,444
Heat	12,500	4,346	10,628
Improvements to library and pharmacy	20,000	-	-
Insurance	9,000	9,272	8,681
Repairs and maintenance	5,000	3,569	4,172
Snow removal and grass cutting	8,500	6,171	7,823
Taxes and sewerage utility	2,695	4,032	2,696
	<b>81,245</b>	<b>48,672</b>	<b>58,835</b>
Transfers:			
Expenses allocated to fire protection	(18,800)	(10,288)	(16,495)
Expenses allocated to general government	(2,700)	-	(2,357)
Expenses allocated to sewerage and water	-	(4,668)	-
	<b>\$ 59,745</b>	<b>\$ 33,716</b>	<b>\$ 39,983</b>
<b>Parks and Public Property</b>			
Amortization of tangible capital assets	\$ -	\$ 4,400	\$ 3,578
Bug control	1,980	1,979	1,940
Mileage	625	915	575
Professional fees	-	1,090	-
Property taxes	6,000	3,638	473
Repairs and improvements	3,300	2,533	3,128
	<b>\$ 11,905</b>	<b>\$ 14,555</b>	<b>\$ 9,694</b>
<b>Recreation</b>			
Festivity supplies	\$ 2,500	\$ 2,593	\$ 1,735
Sponsorships	1,000	500	500
	<b>\$ 3,500</b>	<b>\$ 3,093</b>	<b>\$ 2,235</b>
<b>Streets</b>			
Street lights	\$ 9,500	\$ 8,924	\$ 9,145

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF OPERATIONS - SEWERAGE ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2015**

	<b>Budget 2015</b>	<b>Actual 2015</b>	<b>Actual 2014</b>
<b>Schedule 5</b>			
<b>Revenue</b>			
Flat rate revenues	\$ 78,097	\$ 79,329	\$ 78,097
Interest	3,000	6,464	4,970
	<u>81,097</u>	<u>85,793</u>	<u>83,067</u>
<b>Expenditures</b>			
General:			
Interest and bank charges	150	181	131
Miscellaneous	450	696	452
Professional fees	3,000	544	13,842
Regulatory commission	1,103	1,103	1,103
	<u>4,703</u>	<u>2,524</u>	<u>15,528</u>
Operating:			
Operator fee	8,000	8,184	7,046
Repairs and maintenance	6,000	7,351	4,330
Utilities	8,475	8,283	8,221
	<u>22,475</u>	<u>23,818</u>	<u>19,597</u>
Other:			
Amortization of tangible capital assets	22,000	25,801	25,793
Interest on long term debt	18,000	14,577	17,991
	<u>40,000</u>	<u>40,378</u>	<u>43,784</u>
<b>Subtotal Expenditures</b>	<u>67,178</u>	<u>66,720</u>	<u>78,909</u>
Allocation from general government	8,126	12,760	7,023
Allocation from medical and professional centre	-	2,334	-
<b>Total Expenditures</b>	<u>75,304</u>	<u>81,814</u>	<u>85,932</u>
<b>Net Revenue (Expenditures) From Operations</b>	5,793	3,979	(2,865)
<b>Other and Transfers</b>			
Government transfers for capital - Note 6	-	-	10,837
<b>Change in Fund Balance</b>	<u>\$ 5,793</u>	<u>\$ 3,979</u>	<u>\$ 7,972</u>

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF OPERATIONS - WATER ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2015**

	Budget 2015	Actual 2015	Actual 2014
<b>Schedule 6</b>			
<b>Revenue</b>			
Flat rate revenues	\$ 21,508	\$ 21,508	\$ 21,508
Interest	200	462	287
	21,708	21,970	21,795
<b>Expenditures</b>			
General:			
Interest and bank charges	65	111	62
Office supplies	-	438	32
Operator fee	7,200	7,775	7,265
Professional fees	1,000	1,635	3,921
Regulatory commission fees	-	192	-
Snow removal and grass cutting	100	-	-
Travel	-	420	-
	8,365	10,571	11,280
Operating:			
Repairs and maintenance	8,000	7,378	6,101
Utilities	1,925	1,725	1,864
	9,925	9,103	7,965
Other:			
Amortization of tangible capital assets	3,100	3,432	3,432
Interest on long term debt	1,900	1,718	1,980
	5,000	5,150	5,412
<b>Subtotal Expenditures</b>	23,290	24,824	24,657
Allocation from general government	3,474	6,380	3,010
Allocation from medical and professional centre	-	2,334	-
<b>Total Expenditures</b>	26,764	33,538	27,667
<b>Net Expenditures From Operations</b>	(5,056)	(11,568)	(5,872)
<b>Other and Transfers</b>			
Government transfers for capital - Note 6	-	18,541	17,440
<b>Change in Fund Balance</b>	\$ (5,056)	\$ 6,973	\$ 11,568