

**COMMUNITY OF CRAPAUD**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

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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, 2016, and the consolidated statements of operations, changes in net financial assets 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, 2016 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 27, 2017

**COMMUNITY OF CRAPAUD  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2016**

	2016	2015
<b>Financial Assets</b>		
Cash and cash equivalents		
Unrestricted	\$ 468,000	\$ 447,038
Restricted	96,750	322,872
Accounts receivable	92,326	83,851
	<b>657,076</b>	<b>853,761</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	17,928	18,221
Deferred revenue - Note 3	98,689	324,711
Long term debt - Note 4	495,068	553,794
	<b>611,685</b>	<b>896,726</b>
<b>Net Financial Assets (Debt) - Statement 3</b>	<b>45,391</b>	<b>(42,965)</b>
<b>Non-Financial Assets</b>		
Tangible capital assets - Schedule 1	3,870,431	3,598,924
Prepaid expenses	10,665	10,165
Land held for resale	4,425	4,425
	<b>3,885,521</b>	<b>3,613,514</b>
<b>Accumulated Surplus</b>	<b>\$ 3,930,912</b>	<b>\$ 3,570,549</b>
<b>Municipal Position</b>		
Accumulated surplus - Statement 2	<b>\$ 3,930,912</b>	<b>\$ 3,570,549</b>

(Notes 1 to 12 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, 2016**

	<i>Budget 2016</i>	<i>Actual 2016</i>	<i>Actual 2015</i>
<b>Revenue</b>			
General - Schedule 2	\$ 321,514	\$ 318,166	\$ 322,202
Sewerage - Schedule 5	83,329	86,032	85,793
Water - Schedule 6	21,808	21,965	21,970
	<u>426,651</u>	<u>426,163</u>	<u>429,965</u>
<b>Expenditures</b>			
General - Schedule 2	321,514	278,577	275,543
Sewerage - Schedule 5	83,329	86,606	81,814
Water - Schedule 6	37,803	34,421	33,539
	<u>442,646</u>	<u>399,604</u>	<u>390,896</u>
<b>Net Revenue (Expenditures) From Operations</b>	(15,995)	26,559	39,069
<b>Other and Transfers</b>			
Government transfers for capital - Note 6	-	333,804	26,368
<b>Change in Fund Balances</b>	<u>\$ (15,995)</u>	360,363	65,437
<b>Accumulated Surplus - Beginning of Year</b>		<u>3,570,549</u>	3,505,112
<b>Accumulated Surplus - End of Year - Note 7</b>		<u>\$ 3,930,912</u>	<u>\$ 3,570,549</u>
<b>Change in Fund Balances</b>			
General - Schedule 2		\$ 46,063	\$ 54,486
Sewerage - Schedule 5		(574)	3,979
Water - Schedule 6		314,874	6,972
		<u>\$ 360,363</u>	<u>\$ 65,437</u>

**COMMUNITY OF CRAPAUD**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**  
**YEAR ENDED DECEMBER 31, 2016**

	2016	2015
<i>Change in fund balances</i>	\$ 360,363	\$ 65,437
<i>Amortization of tangible capital assets</i>	110,631	104,526
<i>Purchase of tangible capital assets</i>	(382,138)	(33,147)
<i>(Increase) decrease in prepaid expenses</i>	(500)	3,419
<i>Decrease in land for resale</i>	-	2,180
	<hr/>	<hr/>
<b><i>Increase in Net Financial Assets</i></b>	<b>88,356</b>	<b>142,415</b>
<b><i>Net Debt - Beginning of Year</i></b>	<b>(42,965)</b>	<b>(185,380)</b>
	<hr/>	<hr/>
<b><i>Net Financial Assets (Debt) - End of Year</i></b>	<b>\$ 45,391</b>	<b>\$ (42,965)</b>
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**COMMUNITY OF CRAPAUD  
CONSOLIDATED STATEMENT OF CASH FLOW  
YEAR ENDED DECEMBER 31, 2016**

	2016	2015
<b>Cash Flows From Operating Activities</b>		
Change in fund balances	\$ 360,363	\$ 65,437
Amortization of tangible capital assets	110,631	104,526
Increase in accounts receivable	(8,475)	(10,257)
(Increase) decrease in prepaid expenses	(500)	3,419
Decrease in accounts payable and accrued liabilities	(293)	(756)
Increase (decrease) in deferred revenue	(226,022)	80,316
Decrease in land for resale	-	2,180
	<b>235,704</b>	<b>244,865</b>
<b>Cash Flows From Capital Activity</b>		
Purchase of tangible capital assets	(382,138)	(33,147)
<b>Cash Flows From Financing Activity</b>		
Repayment of long term debt	(58,726)	(57,279)
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(205,160)</b>	<b>154,439</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>\$ 564,750</b>	<b>\$ 769,910</b>
 <b>Cash and Cash Equivalents Consists of:</b>		
Unrestricted	\$ 468,000	\$ 447,038
Restricted	96,750	322,872
	<b>\$ 564,750</b>	<b>\$ 769,910</b>

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**COMMUNITY OF CRAPAUD  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2016**

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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 financial assets 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  
Crapaud Water Corporation  
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, fire 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.



**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**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, 2016**

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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 financial assets 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.*

**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**3. Deferred Revenue**

	2016	2015
Gas tax		
Balance - beginning of year	\$ 322,872	\$ 241,895
Allocation received during the year	100,000	100,000
Interest	1,208	1,928
Eligible expenditures incurred	<u>(327,330)</u>	<u>(20,951)</u>
Balance - end of year	<u>96,750</u>	322,872
Other		
Balance - beginning of year	1,839	2,500
Amounts received during the year	100	-
Expenditures incurred	<u>-</u>	<u>(661)</u>
Balance - end of year	<u>1,939</u>	1,839
Total deferred revenue	<u>\$ 98,689</u>	<u>\$ 324,711</u>

Under the New Deals Gas Tax Funding for Incorporated Communities and the New Deals for Cities & Communities, the Community is allocated \$100,000 per year for fiscal years ending March 31, 2015 - 2020. 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, 2016**

**4. Long Term Debt**

	2016	2015
<b>General</b>		
<i>Bank of Nova Scotia - prime; repayable in monthly principal installments of \$2,431 plus interest. The loan is renewable on July 21, 2017, is amortized to 2018, and is secured by a borrowing resolution and a fire truck with a carrying value of \$181,616.</i>	<u>\$ 46,157</u>	<u>\$ 75,329</u>
<b>Sewer Utility</b>		
<i>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.</i>	354,794	373,502
<i>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.</i>	38,032	42,258
<i>CMHC - 10%; repayable in annual blended installments of \$2,225. The loan matures on June 1, 2017.</i>	<u>2,112</u>	<u>4,038</u>
	<u>394,938</u>	<u>419,798</u>
<b>Water Utility</b>		
<i>Bank of Nova Scotia - prime; repayable in monthly principal installments of \$391 plus interest. The loan is renewable on June 30, 2017, is amortized to 2028, and is secured by a borrowing resolution.</i>	<u>53,973</u>	<u>58,667</u>
	<u>\$ 495,068</u>	<u>\$ 553,794</u>

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

	General	Sewer	Water	Total
2017	\$ 29,172	\$ 25,044	\$ 4,693	\$ 58,909
2018	16,985	22,932	4,693	44,610
2019	-	22,932	4,693	27,625
2020	-	22,932	4,693	27,625
2021	-	22,932	4,693	27,625

**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**5. Government Transfers for Operations**

<b>General</b>	<b>2016</b>	<b>2015</b>
Provincial equalization grant	\$ 26,211	\$ 26,013
Provincial wage grants	7,426	11,667
	<u>\$ 33,637</u>	<u>\$ 37,680</u>

**6. Government Transfers for Capital**

<b>General</b>		
Federal funding	\$ 6,474	\$ -
Rural Development PEI - Island Community Fund	-	3,007
Provincial infrastructure funding	-	2,410
New Deals Gas Tax	-	2,410
	<u>6,474</u>	<u>7,827</u>
 <b>Water Utility</b>		
New Deals Gas Tax	<u>327,330</u>	<u>18,541</u>
	<u>\$ 333,804</u>	<u>\$ 26,368</u>

**7. Accumulated Surplus**

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

	<b>2016</b>	<b>2015</b>
Unrestricted surplus	\$ 427,258	\$ 402,374
Reserve funds - Note 8	128,291	123,045
Equity in tangible capital assets - Note 9	3,375,363	3,045,130
	<u>\$ 3,930,912</u>	<u>\$ 3,570,549</u>

**8. Reserve Funds**

Balance - beginning of year	\$ 123,045	\$ 111,597
Allocation to fire reserve	5,246	11,448
	<u>\$ 128,291</u>	<u>\$ 123,045</u>

**COMMUNITY OF CRAPAUD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

**9. Equity in Tangible Capital Assets**

	2016	2015
Tangible capital assets - Schedule 1	\$ 5,188,043	\$ 4,805,905
Accumulated amortization - Schedule 1	(1,317,612)	(1,206,981)
Long term debt - Note 4	(495,068)	(553,794)
	<u>\$ 3,375,363</u>	<u>\$ 3,045,130</u>

**10. Budget Figures**

A reconciliation of the 2016 fiscal operating budget prepared by Council to the budget figures disclosed in the consolidated financial statements is as follows:

	2016
Community of Crapaud budgeted annual deficit	\$ -
Community of Crapaud Water Utility annual deficit	(15,995)
Community of Crapaud Sewer Utility annual surplus	-
	<u>\$ (15,995)</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.

**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, 2016.

**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. In order to reduce its credit risk, the Community conducts regular reviews of its existing customers' credit performance. 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.

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**COMMUNITY OF CRAPAUD  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2016**

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**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.*

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**TANGIBLE CAPITAL ASSETS**  
**YEAR ENDED DECEMBER 31, 2016**

	Cost beginning of year	Additions	Disposals/ adjustments	Cost end of year	Amort in year	Accum amort	NBV 2016	Schedule 1 NBV 2015
<b>General</b>								
Land	\$ 571,924	\$ -	\$ -	\$ 571,924	\$ -	\$ -	\$ 571,924	\$ 571,924
Buildings	777,156	14,600	-	791,756	19,794	365,489	426,267	431,461
Fire vehicles	689,489	-	-	689,489	33,516	434,297	255,192	288,708
Equipment	295,707	39,044	-	334,751	23,290	187,462	147,289	131,535
Electronic equipment	3,130	-	-	3,130	315	2,816	314	629
Signage	2,752	-	-	2,752	275	550	2,202	2,477
	<b>\$ 2,340,158</b>	<b>\$ 53,644</b>	<b>\$ -</b>	<b>\$ 2,393,802</b>	<b>\$ 77,190</b>	<b>\$ 990,614</b>	<b>\$ 1,403,188</b>	<b>\$ 1,426,734</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	273,356	1,871,559	1,897,322
Sewerage equipment	13,628	1,164	-	14,792	96	13,070	1,722	654
Water system	146,020	327,330	-	473,350	5,680	31,218	442,132	120,482
Wells and springs	158,491	-	-	158,491	1,902	9,354	149,137	151,039
	<b>\$ 2,465,747</b>	<b>\$ 328,494</b>	<b>\$ -</b>	<b>\$ 2,794,241</b>	<b>\$ 33,441</b>	<b>\$ 326,998</b>	<b>\$ 2,467,243</b>	<b>\$ 2,172,190</b>
<b>Total tangible capital assets</b>	<b>\$ 4,805,905</b>	<b>\$ 382,138</b>	<b>\$ -</b>	<b>\$ 5,188,043</b>	<b>\$ 110,631</b>	<b>\$ 1,317,612</b>	<b>\$ 3,870,431</b>	<b>\$ 3,598,924</b>



**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF OPERATIONS - GENERAL ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2016**

	<i>Budget</i> 2016	<i>Actual</i> 2016	<i>Actual</i> 2015
<b>Schedule 2</b>			
<b>Revenue</b>			
Fire dues	\$ 153,527	\$ 154,500	\$ 152,812
Real property tax	92,647	91,831	92,352
Rent	34,715	34,954	34,557
Government transfers for operations - Note 5	37,125	33,637	37,680
Interest	1,000	1,863	2,181
Sponsorships of community events	1,000	1,375	1,100
Other	1,500	6	1,520
	<b>321,514</b>	<b>318,166</b>	<b>322,202</b>
<b>Expenditures</b>			
Fire Protection - Schedule 3	161,335	149,254	141,364
General Government - Schedule 3	78,689	71,052	73,891
Medical and Professional Centre - Schedule 4	53,711	33,396	33,716
Parks and Public Property - Schedule 4	14,079	12,645	14,555
Recreation - Schedule 4	4,500	3,393	3,093
Streets - Schedule 4	9,200	8,837	8,924
	<b>321,514</b>	<b>278,577</b>	<b>275,543</b>
<b>Net Revenue From Operations</b>		<b>39,589</b>	<b>46,659</b>
<b>Other and Transfers</b>			
Government transfers for capital - Note 6	-	<b>6,474</b>	<b>7,827</b>
<b>Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ 46,063</b>	<b>\$ 54,486</b>

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF EXPENDITURES - GENERAL ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2016**

## Schedule 3

	Budget 2016	Actual 2016	Actual 2015
<b>Fire Protection</b>			
Amortization of tangible capital assets	\$ 60,000	\$ 58,730	\$ 55,554
Gas and oil	2,500	2,311	1,641
Heat	4,700	3,564	4,559
Honorariums	28,000	29,813	27,813
Insurance - firemen	1,200	1,600	1,150
Insurance - trucks	6,600	5,502	5,689
Interest and bank charges	250	221	151
Interest on long term debt	2,000	1,672	2,553
Office and postage	6,700	8,172	5,079
Repairs and maintenance	18,000	9,075	8,294
Telephone and radio	3,500	3,224	3,297
Training and mileage	4,700	2,417	4,525
Utilities	2,800	2,789	2,682
	<b>140,950</b>	<b>129,090</b>	<b>122,987</b>
Transfers:			
Expenses allocated from general government	8,939	8,524	8,089
Expenses allocated from medical and professional centre	11,446	11,640	10,288
	<b>\$ 161,335</b>	<b>\$ 149,254</b>	<b>\$ 141,364</b>
<b>General Government</b>			
Advertising	\$ 5,500	\$ 3,179	\$ 4,558
Amortization of tangible capital assets	3,200	2,355	3,635
Dues	1,000	1,000	954
Fire protection	11,000	11,000	10,285
Honorariums	14,500	11,381	10,930
Interest and bank charges	1,705	1,374	2,881
Liability insurance	11,000	11,347	10,742
Library	2,500	2,181	1,255
Office and postage	3,500	3,395	3,911
Professional fees	12,500	12,405	12,143
Telephone	1,200	1,800	1,146
Travel and meetings	1,000	566	759
Wages and wage levies	40,891	38,059	37,921
	<b>109,496</b>	<b>100,042</b>	<b>101,120</b>
Transfers:			
Expenses allocated to fire protection	(8,939)	(8,524)	(8,089)
Expenses allocated to sewerage and water	(21,868)	(20,466)	(19,140)
	<b>\$ 78,689</b>	<b>\$ 71,052</b>	<b>\$ 73,891</b>

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF EXPENDITURES - GENERAL ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2016**

## Schedule 4

	Budget 2016	Actual 2016	Actual 2015
<b>Medical and Professional Centre</b>			
Amortization of tangible capital assets	\$ 12,000	\$ 11,705	\$ 11,705
Electricity	8,525	8,464	8,269
Garbage collection	1,350	1,311	1,308
Heat	4,500	3,032	4,346
Improvements to library and pharmacy	20,000	-	-
Insurance	9,500	9,614	9,272
Repairs and maintenance	3,700	5,993	3,569
Snow removal and grass cutting	6,500	5,752	6,171
Taxes and sewerage utility	4,100	4,073	4,032
	<u>70,175</u>	<u>49,944</u>	<u>48,672</u>
Transfers:			
Expenses allocated to fire protection	(11,446)	(11,640)	(10,288)
Expenses allocated to sewerage and water	(5,018)	(4,908)	(4,668)
	<u>\$ 53,711</u>	<u>\$ 33,396</u>	<u>\$ 33,716</u>
<b>Parks and Public Property</b>			
Amortization of tangible capital assets	\$ 4,400	\$ 4,400	\$ 4,400
Bug control	1,979	1,979	1,979
Mileage	1,000	697	915
Professional fees	-	-	1,090
Property taxes	3,700	3,693	3,638
Repairs and improvements	3,000	1,876	2,533
	<u>\$ 14,079</u>	<u>\$ 12,645</u>	<u>\$ 14,555</u>
<b>Recreation</b>			
Festivity supplies	\$ 3,500	\$ 2,402	\$ 2,593
Sponsorships	1,000	991	500
	<u>\$ 4,500</u>	<u>\$ 3,393</u>	<u>\$ 3,093</u>
<b>Streets</b>			
Street lights	\$ 9,200	\$ 8,837	\$ 8,924

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF OPERATIONS - SEWERAGE ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2016**

Schedule 5

	Budget 2016	Actual 2016	Actual 2015
<b>Revenue</b>			
Flat rate revenues	\$ 79,329	\$ 78,815	\$ 79,329
Interest	4,000	7,217	6,464
	<u>83,329</u>	<u>86,032</u>	<u>85,793</u>
<b>Expenditures</b>			
General:			
Interest and bank charges	200	218	181
Miscellaneous	700	413	696
Professional fees	-	-	544
Regulatory commission	1,103	1,103	1,103
	<u>2,003</u>	<u>1,734</u>	<u>2,524</u>
Operating:			
Operator fee	8,500	11,817	8,184
Repairs and maintenance	14,188	6,816	7,351
Utilities	8,550	8,545	8,283
	<u>31,238</u>	<u>27,178</u>	<u>23,818</u>
Other:			
Amortization of tangible capital assets	22,000	25,859	25,801
Bad debt	-	3,815	-
Interest on long term debt	11,000	11,922	14,577
	<u>33,000</u>	<u>41,596</u>	<u>40,378</u>
<b>Subtotal Expenditures</b>	<u>66,241</u>	<u>70,508</u>	<u>66,720</u>
Allocation from general government	14,579	13,644	12,760
Allocation from medical and professional centre	2,509	2,454	2,334
<b>Total Expenditures</b>	<u>83,329</u>	<u>86,606</u>	<u>81,814</u>
<b>Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (574)</u>	<u>\$ 3,979</u>

**COMMUNITY OF CRAPAUD**  
**SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**SCHEDULE OF OPERATIONS - WATER ACCOUNT**  
**YEAR ENDED DECEMBER 31, 2016**

Schedule 6

	Budget 2016	Actual 2016	Actual 2015
<b>Revenue</b>			
Flat rate revenues	\$ 21,508	\$ 21,508	\$ 21,508
Interest	300	457	462
	<u>21,808</u>	<u>21,965</u>	<u>21,970</u>
<b>Expenditures</b>			
General:			
Interest and bank charges	115	144	111
Office supplies	450	-	438
Professional fees	-	-	1,635
Regulatory commission fees	192	228	192
Snow removal and grass cutting	500	438	491
Travel	1,000	742	420
	<u>2,257</u>	<u>1,552</u>	<u>3,287</u>
Operating:			
Operator fee	8,000	7,638	7,775
Repairs and maintenance	8,000	4,660	6,888
Utilities	1,800	2,180	1,725
	<u>17,800</u>	<u>14,478</u>	<u>16,388</u>
Other:			
Amortization of tangible capital assets	6,448	7,582	3,432
Interest on long term debt	1,500	1,533	1,718
	<u>7,948</u>	<u>9,115</u>	<u>5,150</u>
<b>Subtotal Expenditures</b>	<b>28,005</b>	<b>25,145</b>	<b>24,825</b>
Allocation from general government	7,289	6,822	6,380
Allocation from medical and professional centre	2,509	2,454	2,334
	<u>37,803</u>	<u>34,421</u>	<u>33,539</u>
<b>Total Expenditures</b>	<b>37,803</b>	<b>34,421</b>	<b>33,539</b>
<b>Net Expenditures From Operations</b>	<b>(15,995)</b>	<b>(12,456)</b>	<b>(11,569)</b>
<b>Other and Transfers</b>			
Government transfers for capital - Note 6	-	327,330	18,541
	<u>-</u>	<u>327,330</u>	<u>18,541</u>
<b>Change in Fund Balance</b>	<b>\$ (15,995)</b>	<b>\$ 314,874</b>	<b>\$ 6,972</b>