



Consolidated Financial Statements

The Community of Crapaud

December 31, 2013

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# Independent auditor's report

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To the Council of  
The Community of Crapaud

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, 2013, the consolidated statements of operations and surplus, cash flows and changes in net debt 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 Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **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 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Community's preparation and fair presentation of the 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 Community'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, 2013, and its financial performance and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

*Grant Thornton LLP*

March 17, 2014

Summerside, Prince Edward Island

Chartered Accountants

# The Community of Crapaud

## Consolidated statement of operations and surplus

Year Ended December 31	Budget	2013	2012 (restated Note 2)
<b>Revenue</b>			
Fire dues	\$ 148,891	\$ <b>150,625</b>	\$ 135,436
Property taxes	95,267	<b>89,515</b>	86,606
Government transfers			
Equalization	29,342	<b>25,756</b>	26,675
Infrastructure	-	<b>179,667</b>	104,382
Recreation	1,540	<b>1,650</b>	1,400
Wages	12,142	<b>6,723</b>	11,038
Rent and other	26,106	<b>23,399</b>	23,733
Total general account (Page 15)	313,288	<b>477,335</b>	389,270
Sewerage account (Page 18)	79,612	<b>185,094</b>	84,175
Water account (Page 19)	10,346	<b>16,290</b>	78,265
	<u>403,246</u>	<u><b>678,719</b></u>	<u>551,710</u>
<b>Expenses</b>			
General government (Page 16)	86,619	<b>84,496</b>	81,400
Fire protection (Page 16)	112,156	<b>124,036</b>	104,921
Street lights (Page 17)	9,000	<b>8,748</b>	8,600
Parks and public property (Page 17)	9,400	<b>9,183</b>	6,923
Recreation (Page 17)	2,350	<b>1,941</b>	2,132
Medical and professional centre expenses (Page 17)	61,878	<b>58,673</b>	55,321
Sewerage (Page 18)	56,666	<b>74,986</b>	67,548
Water account (Page 19)	12,400	<b>18,529</b>	12,899
Total expenses (Note 7)	<u>350,469</u>	<u><b>380,592</b></u>	<u>339,744</u>
Annual surplus	\$ <u>52,777</u>	\$ <u><b>298,127</b></u>	\$ <u>211,966</u>
<b>Accumulated surplus, beginning of year, as previously reported</b>			
		\$ <b>1,649,915</b>	\$ 1,595,768
<b>Prior period adjustment (Note 2)</b>			
		<u><b>1,501,425</b></u>	<u>1,343,606</u>
<b>As restated</b>			
Annual surplus		<u><b>3,151,340</b></u>	<u>2,939,374</u>
		<u><b>298,127</b></u>	<u>211,966</u>
<b>Accumulated surplus, end of year</b>			
		\$ <u><b>3,449,467</b></u>	\$ <u>3,151,340</u>

# The Community of Crapaud

## Consolidated statement of financial position

December 31 2013 2012  
(restated Note 2)

### Financial assets

Cash and cash equivalents		
Unrestricted	\$ 370,912	\$ 338,303
Receivables	220,874	133,421
Restricted	<u>172,173</u>	<u>189,772</u>
	<u>763,959</u>	<u>661,496</u>

### Liabilities

Payables and accruals	150,074	90,128
Deferred revenue (Note 3)	172,173	189,772
Long term debt (Note 4)	<u>666,310</u>	<u>707,731</u>
	<u>988,557</u>	<u>987,631</u>

**Net financial debt** (224,598) (326,135)

### Non-financial assets

Prepaid expenses	12,091	16,811
Tangible capital assets – general (Page 7)	1,457,661	1,375,937
Tangible capital assets – water and sewer (Page 8)	<u>2,204,313</u>	<u>2,084,727</u>
	<u>3,661,974</u>	<u>3,460,664</u>
	<u>3,674,065</u>	<u>3,477,475</u>

**Accumulated surplus (Note 6)** \$ 3,449,467 \$ 3,151,340

On behalf of the Council

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Councilor

# The Community of Crapaud

## Consolidated statement of cash flows

Year ended December 31

2013

2012  
(restated Note 2)

Increase (decrease) in cash and cash equivalents

<b>Operating activities</b>		
Surplus	\$ 298,127	\$ 211,966
Depreciation and amortization	104,065	91,266
	<u>402,192</u>	<u>303,232</u>
Change in non-cash working capital		
Receivables	(87,453)	100,511
Prepaid expenses	4,720	(6,490)
Trade payables, accrued interest	59,946	35,788
Deferred revenue	(17,599)	39,783
	<u>361,806</u>	<u>472,824</u>
<b>Financing activities</b>		
Change in restricted cash	17,599	(39,783)
Proceeds from issuance of long term debt	13,677	231,723
Repayment of long term debt	(55,098)	(173,464)
	<u>(23,822)</u>	<u>18,476</u>
<b>Capital activities</b>		
Purchase of tangible capital assets	(305,375)	(512,054)
	<u>32,609</u>	<u>(20,754)</u>
Cash and cash equivalents,		
Beginning of year	<u>338,303</u>	<u>359,057</u>
End of year	\$ <u>370,912</u>	\$ <u>338,303</u>

See accompanying notes to the consolidated financial statements.

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## The Community of Crapaud

### Consolidated statement of changes in net financial debt

Ended December 31	Budget (Note 8)	2013	2012 (restated Note 2)
Surplus	\$ 52,777	\$ <b>298,127</b>	\$ 211,966
Depreciation and amortization	80,716	<b>104,065</b>	91,263
Acquisition of tangible capital assets	<u>(297,527)</u>	<u><b>(305,375)</b></u>	<u>(512,054)</u>
	<u>(164,034)</u>	<u><b>96,817</b></u>	<u>(208,825)</u>
Acquisition of prepaid expenses	(12,091)	<b>(12,091)</b>	(16,811)
Use of prepaid expenses	<u>16,811</u>	<u><b>16,811</b></u>	<u>10,321</u>
	<u>4,720</u>	<u><b>4,720</b></u>	<u>(6,490)</u>
Change in net financial debt	\$ <u>(159,314)</u>	<b>101,537</b>	(215,315)
Net financial debt, beginning of year		<u><b>(326,135)</b></u>	<u>(110,820)</u>
Net financial debt, end of year		\$ <u><b>(224,598)</b></u>	\$ <u>(326,135)</u>

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## The Community of Crapaud Schedule of tangible capital assets - General

Year ended December 31, 2013

	<u>Land</u>	<u>Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Electronic Equipment</u>	<b>Total 2013</b>	Total 2012
<b>Cost</b>							
Opening balance	\$ 576,307	\$ 620,295	\$ 689,489	\$ 165,662	\$ 1,873	\$ 2,053,626	\$ 1,664,464
Acquisition of tangible capital assets	-	127,693	-	27,052	-	154,745	389,162
Balance, end of year	<u>576,307</u>	<u>747,988</u>	<u>689,489</u>	<u>192,714</u>	<u>1,873</u>	<u>2,208,371</u>	<u>2,053,626</u>
<b>Accumulated amortization</b>							
Opening balance	-	289,733	275,316	110,767	1,873	677,689	613,705
Annual amortization	-	17,104	45,966	9,951	-	73,021	63,984
Balance, end of year	-	<u>306,837</u>	<u>321,282</u>	<u>120,718</u>	<u>1,873</u>	<u>750,710</u>	<u>677,689</u>
<b>Net book value of tangible capital assets</b>	<b>\$ <u>576,307</u></b>	<b>\$ <u>441,151</u></b>	<b>\$ <u>368,207</u></b>	<b>\$ <u>71,996</u></b>	<b>\$ -</b>	<b>\$ <u>1,457,661</u></b>	<b>\$ <u>1,375,937</u></b>

## The Community of Crapaud Schedule of tangible capital assets - Water and Sewer

Year ended December 31, 2013

	<u>Lagoon</u>	<u>Sewerage System</u>	<u>Sewerage Equipment</u>	<u>Water System</u>	<u>Wells &amp; Springs</u>	<b>Total 2013</b>	Total 2012
<b>Cost</b>							
Opening balance	\$ 2,693	\$ 2,011,157	\$ 12,881	\$ 110,037	\$ 152,017	\$ 2,288,785	\$ 2,165,893
Acquisition of tangible capital assets	-	149,883	747	-	-	150,630	122,892
Balance, end of year	2,693	2,161,040	13,628	110,037	152,017	2,439,415	2,288,785
<b>Accumulated amortization</b>							
Opening balance	-	168,195	12,881	21,158	1,824	204,058	176,780
Annual amortization	-	27,880	19	1,321	1,824	31,044	27,278
Balance, end of year	-	196,075	12,900	22,479	3,648	235,102	204,058
<b>Net book value of tangible capital assets</b>	<b>\$ 2,693</b>	<b>\$ 1,964,965</b>	<b>\$ 728</b>	<b>\$ 87,558</b>	<b>\$ 148,369</b>	<b>\$ 2,204,313</b>	<b>\$ 2,084,727</b>

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# The Community of Crapaud

## Notes to the consolidated financial statements

December 31, 2013

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### 1. Summary of significant accounting policies

The consolidated financial statements of The Community of Crapaud are prepared by management in accordance with Canadian Public Sector Accounting Standards of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Community are as follows:

#### **Basis of consolidation**

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, and surplus of the reporting entity. The reporting entity is comprised of all organizations and committees that are accountable to the Community for administration of their financial affairs and resources, and which are owned or controlled by the Community. Interdepartmental and organizational transactions and balances are eliminated.

#### **Consolidated entities**

The organizations included in the consolidated financial statements are as follows:

- Community of Crapaud
- Water and Sewerage Corporation

#### **Basis of accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of legal obligation to pay.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks and short term deposits.

#### **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 excess of revenue over expenses, provides the consolidated change in net financial assets (net debt) for the year.

#### **Government transfers**

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

Government transfers are recognized in the consolidated financial statements as revenue in the financial period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met including performance and return requirements, and reasonable estimates of the amounts can be determined.

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# The Community of Crapaud

## Notes to the consolidated financial statements

December 31, 2013

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### 1. Summary of 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 of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

Sewerage system	1.2%
Sewerage equipment	5.0%
Water system	1.2%
Wells and springs	1.2%
Buildings	2.5%
Fire Vehicles	6.67%
Vehicles	20.0%
Electronic Equipment	25.0%
Equipment	10.0%

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.

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 value.

Interest expense on capital debt incurred during the construction or renovation of an asset are included in the capitalized value. No interest was capitalized during the period, or the preceding period.

# The Community of Crapaud

## Notes to the consolidated financial statements

December 31, 2013

### 2. Changes in accounting policy

Effective January 1, 2013 the Community has restated its consolidated financial statements to comply with the provisions of the new PSA Handbook Section PS 3410 "Government Transfers", which replaced the existing standard of the same name. Government transfers are the transfer of funds from senior levels of government that are not expected to be repaid in the future or are not the result of a direct financial return. The standard requires that government transfers be recognized in the consolidated financial statements as revenue in the financial period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met including performance and return requirements, and reasonable estimates of the amounts can be determined. The standard can be applied on a prospective or retrospective basis. The Community chose to record government transfers on a retrospective basis, with restatement of prior years. Under previous standards, the Community had the option to defer and amortize government contributions received for capital over the useful life of the related assets. This is no longer an option under PS 3410. This accounting change had the following impact on the Community's consolidated financial statements:

	Previously stated <u>2012</u>	Adjustment <u>2012</u>	Restated <u>2012</u>
Statement of operations and surplus:			
Revenue	\$ 374,583	\$ 177,127	\$ 551,710
Expenses	320,436	19,308	339,744
Surplus	54,147	157,819	211,966
Statement of financial position:			
Accumulated surplus,			
Beginning of year	1,595,768	1,343,606	2,939,374
End of year	1,649,915	1,501,425	3,151,340
Contributions in aid of construction	1,501,425	(1,501,425)	-

### 3. Deferred revenue 2013      2012

During the year the Community was allocated \$75,000 (2012 – \$75,000) under the New Deal Gas Tax Funding for Incorporated Communities agreement. The Community must use their allocation of the New Deal Gas Tax funds for eligible infrastructure and capacity building projects as outlined in the agreement dated November 30, 2007.

Deferred revenue, beginning of year	\$ 189,772	\$ 149,989
Allocation received during the year	<b>75,000</b>	75,000
Eligible expenditures incurred	<u>(92,599)</u>	<u>(35,217)</u>
Deferred revenue, end of year	<b><u>\$ 172,173</u></b>	<b><u>\$ 189,772</u></b>

# The Community of Crapaud

## Notes to the consolidated financial statements

December 31, 2013

### 3. Deferred revenue (cont'd)

Under the Agreement on the Transfer of Federal Gas Tax Revenues through the New Deal for Cities and Communities, the Community has received revenues which are restricted for expenditure on eligible projects. During the year, \$92,599 (2012 - \$Nil) was spent on treatment facility upgrades. In 2012, \$18,550 was spent on professional centre upgrades and \$16,667 on the Sherwood Forest well site project.

These funds are held in a separate bank account and are classified as restricted cash on the statement of financial position.

### 4. Long term debt 2013 2012

#### The Community of Crapaud - General

Prime plus 0.00%, non-revolving loan, maturing in 2014, amortized to 2018. Payable in monthly principal installments of \$2,431, interest paid monthly. As security, the Community Council has provided a borrowing resolution, and a fire truck.

\$ 133,673      \$ 162,845

#### Crapaud Water Utility

Prime plus 0.00%, non-revolving loan, maturing in 2014, amortized to 2028. Payable in monthly principal installments of \$391, interest paid monthly. As security, the Community Council has provided a borrowing resolution.

68,053      56,723

#### Crapaud Sewer Utility

Prime plus 0.25%, non-revolving loan, maturing in 2015, amortized to 2035. Payable in monthly principal installments of \$1,559, interest paid monthly. As security, the Community Council has provided a borrowing resolution.

410,926      429,634

10% CMHC loan, maturing in 2017, payable in annual instalments of \$2,225, including principal and interest.

5,653      7,878

5.5% demand loan, maturing in 2016, amortized to 2026, payable in monthly payments of \$447, including principal and interest. As security, the Community Council has provided a borrowing resolution.

48,005      50,651

\$ 666,310      \$ 707,731

Prime rate at December 31, 2013 was 3.00% (2012 – 3.00%)

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# The Community of Crapaud

## Notes to the consolidated financial statements

December 31, 2013

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### 4. Long term debt (cont'd)

Expected principal repayments for each of the next five years are as follows:

	<u>General</u>	<u>Water</u>	<u>Sewerage</u>	<u>Total</u>
2014	\$ 29,172	\$ 4,692	\$ 23,121	\$ 56,985
2015	29,172	4,692	23,437	57,301
2016	29,172	4,692	23,778	57,642
2017	29,172	4,692	22,457	56,321
2018	<u>16,985</u>	<u>4,692</u>	<u>22,226</u>	<u>43,903</u>
	<u>\$ 133,673</u>	<u>\$ 23,460</u>	<u>\$ 115,019</u>	<u>\$ 272,152</u>

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### 5. Rate regulation

The Community is subject to rate regulation on the sewerage and water utilities provided to residents in Prince Edward Island under the *Island Regulatory Appeals Commission Act*. The purpose of this Act, which is administered by the Island Regulatory and Appeal Commission (IRAC), is to regulate the rate municipalities may charge for sewerage and water utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for sewerage and water utilities. Changes in sewerage and water utility rates can only be implemented with approval from IRAC. The Community filed a rate application with IRAC in 2012 to request an increase in water rates for customers which was approved and became effective July 31, 2013.

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### 6. Accumulated surplus

	<u>2013</u>	<u>2012</u>
Operating fund	\$ <u>1,827,929</u>	\$ <u>1,836,202</u>
Reserve fund		
Balance, beginning of year	<u>102,046</u>	86,999
Allocation to fire reserve	<u>15,835</u>	<u>15,047</u>
Balance, end of year	<u>117,881</u>	102,046
Capital fund, investment in tangible capital assets	<u>1,503,657</u>	<u>1,213,092</u>
Accumulated surplus	<u>\$ 3,449,467</u>	<u>\$ 3,151,340</u>

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# The Community of Crapaud

## Notes to the consolidated financial statements

December 31, 2013

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7. Expenses by object	<u>2013</u>	<u>2012</u>
Salaries and benefits	\$ 57,690	\$ 57,325
Goods and services	196,073	167,592
Amortization of tangible capital assets	104,065	91,266
Interest on long term debt	22,764	23,561
	<u>\$ 380,592</u>	<u>\$ 339,744</u>

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### 8. Budget

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the statement of changes in net debt has been adjusted to be presented on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the consolidated financial statements:

	<u>Approved fiscal plan</u>	<u>Adjustments</u>	<u>Adjusted fiscal plan</u>
Annual surplus	\$ 52,777	\$ -	\$ 52,777
Amortization of tangible capital assets	80,716	-	80,716
Acquisition of tangible capital	-	(297,527)	(297,527)
	<u>133,493</u>	<u>(297,527)</u>	<u>(164,034)</u>
Acquisition of prepaid expenses	-	(12,091)	(12,091)
Use of prepaid expenses	-	16,811	16,811
Balance, end of year	-	4,720	4,720
Change in net financial debt	<u>\$ 133,493</u>	<u>\$ (292,807)</u>	<u>\$ (159,314)</u>

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### 9. Comparative figures

Certain of the figures on the 2012 consolidated financial statements have been reclassified to conform to the 2013 financial statement presentation.

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## The Community of Crapaud Schedule of financial activities - General account

Year ended December 31	Budget	2013	2012 (restated Note 2)
<b>Revenue</b>			
Fire dues	\$ 148,891	\$ 150,625	\$ 135,436
Real property taxes	95,267	89,515	86,606
Government transfers			
Equalization	29,342	25,756	26,675
Infrastructure	-	179,667	104,382
Recreation	1,540	1,650	1,400
Wages	12,142	6,723	11,038
Other	1,595	327	1,450
Interest	2,247	852	2,043
Rent	22,264	22,220	20,240
	<u>313,288</u>	<u>477,335</u>	<u>389,270</u>
<b>Expenses</b>			
	<u>Page</u>		
General government	16	86,619	81,400
Fire protection	16	112,156	104,921
Street lights	17	9,000	8,600
Parks and public property	17	9,400	6,923
Recreation	17	2,350	2,132
Medical and professional centre expenses	17	61,878	55,321
		<u>281,403</u>	<u>259,297</u>
Surplus before other income (expense)		<u>31,885</u>	<u>129,973</u>
<b>Other income (expense)</b>			
Expense allocation to sewer and water		8,000	15,274
Net transfer to reserve fund (Note 6)		(12,000)	(15,047)
Capital debt and tangible asset adjustments		50,000	(59,440)
		<u>46,000</u>	<u>(59,213)</u>
Annual surplus		\$ <u>77,885</u>	\$ <u>70,760</u>
<b>Accumulated surplus, beginning of year</b>			
As previously stated		\$ 280,479	\$ 312,612
Prior period adjustment (Note 2)		<u>102,893</u>	-
As restated		<u>383,372</u>	312,612
Annual surplus		<u>(211,229)</u>	<u>70,760</u>
Accumulated surplus, end of year		\$ <u>172,143</u>	\$ <u>383,372</u>

# The Community of Crapaud

## Schedule of expenses - General account

Year ended December 31

2013

2012

(restated Note 2)

### General government

Advertising	\$ 1,441	\$ 2,838
Amortization	5,647	4,975
Bug control	1,940	1,780
Dues	793	892
Fire protection	9,350	8,500
Honorariums	6,600	5,500
Interest and bank charges	110	(6)
Liability insurance	10,549	9,780
Office and postage	2,207	2,258
Professional fees	10,491	9,322
Property taxes	5,613	3,525
Telephone	2,062	1,951
Travel and meeting	1,219	760
Wages and wage levies	26,473	29,325
	<u>84,495</u>	<u>81,400</u>
Transfers		
Allocation from Medical and Professional Centre	2,355	2,210
Expenses allocated to Sewerage and Water	(7,806)	(15,274)
	<u>\$ 79,044</u>	<u>\$ 68,336</u>

### Fire protection

Amortization	\$ 55,790	\$ 50,017
Gas and oil	1,574	1,918
Honorariums	24,617	22,500
Insurance - firemen	286	286
Insurance - trucks	7,307	6,610
Interest and bank charges	37	35
Interest on long term debt	4,478	2,936
Office and postage	4,297	4,167
Repairs and maintenance	17,894	7,379
Telephone and radio	4,060	5,343
Training and mileage	3,696	3,730
	<u>124,036</u>	<u>104,921</u>
Transfers		
Allocation from Medical and Professional Centre	16,482	15,468
	<u>\$ 140,518</u>	<u>\$ 120,389</u>

# The Community of Crapaud

## Schedule of expenses - General account

Year ended December 31

2013

2012  
(restated Note 2)

<b>Street lights</b>	<b>\$ 8,748</b>	<b>\$ 8,600</b>
<b>Parks and public property</b>		
Property taxes	\$ 355	\$ 369
Repairs and improvements	8,828	6,554
	<b>\$ 9,183</b>	<b>\$ 6,923</b>
<b>Recreation</b>		
Festivity supplies	\$ 1,941	\$ 2,132
<b>Medical and Professional Centre expenses</b>		
Amortization	\$ 11,583	\$ 8,993
Electricity	11,456	10,997
Garbage collection	2,882	2,945
Heat	10,932	9,280
Insurance	8,503	7,879
Repairs and maintenance	4,880	6,633
Snow removal and grass cutting	5,742	3,764
Taxes and sewerage utility	2,695	4,830
	<b>58,673</b>	55,321
<b>Transfers</b>		
General Government	(2,355)	(2,210)
Fire Protection	(16,482)	(15,467)
	<b>\$ 39,836</b>	<b>\$ 37,644</b>

## The Community of Crapaud

### Schedule of financial activities - Sewerage account

Year ended December 31	Budget	2013	2012 (restated Note 2)
<b>Revenue</b>			
Flat rate revenue	\$ 76,812	\$ 78,097	\$ 76,812
Government transfers	-	102,548	4,725
Interest	2,800	4,449	2,638
	<u>79,612</u>	<u>185,094</u>	<u>84,175</u>
<b>Expenses</b>			
<b>Operating</b>			
Repairs and maintenance	8,500	10,019	6,796
Operator fee	6,375	8,081	5,545
Utilities	11,500	11,162	9,082
	<u>26,375</u>	<u>29,262</u>	<u>21,423</u>
<b>General</b>			
Professional fees	800	-	696
Interest and bank service charges	225	157	187
Regulatory commission	717	1,103	717
Miscellaneous	85	174	339
	<u>1,827</u>	<u>1,434</u>	<u>1,939</u>
<b>Other</b>			
Amortization	8,411	27,899	24,133
Interest on long term debt	20,053	16,391	20,053
	<u>28,464</u>	<u>44,290</u>	<u>44,186</u>
	<u>56,666</u>	<u>74,986</u>	<u>67,548</u>
Surplus before other income (expense)	22,946	110,108	16,627
<b>Other income (expense)</b>			
Allocation from general government	(8,000)	(5,464)	(10,692)
Annual surplus	\$ <u>14,946</u>	\$ <u>104,644</u>	\$ <u>5,935</u>
<b>Accumulated surplus, beginning of year</b>			
As previously stated		\$ 146,442	\$ 128,413
Prior period adjustment (Note 2)		<u>1,316,199</u>	<u>1,328,293</u>
As restated		1,462,641	1,456,706
Annual surplus		<u>104,644</u>	<u>5,935</u>
Accumulated surplus, end of year		\$ <u>1,567,285</u>	\$ <u>1,462,641</u>

## The Community of Crapaud Schedule of financial activities - Water account

Year ended December 31	Budget	2013	2012 (restated Note 2)
<b>Revenue</b>			
Flat rate revenues	\$ 9,846	\$ 16,131	\$ 9,846
Government transfers	-	-	68,020
Interest	500	159	399
	<u>10,346</u>	<u>16,290</u>	<u>78,265</u>
<b>Expenses</b>			
Operating			
Repairs and maintenance	5,000	10,931	7,324
Utilities	2,300	2,515	1,697
	<u>7,300</u>	<u>13,446</u>	<u>9,021</u>
General			
Interest and bank service charges	200	43	162
Interest on long term debt	2,000	1,895	571
Other			
Amortization	2,900	3,145	3,145
	<u>12,400</u>	<u>18,529</u>	<u>12,899</u>
Surplus before other income (expense)	(2,054)	(2,239)	65,366
Other income (expense)			
Allocation from general government	(5,000)	(2,342)	(4,582)
Annual surplus	\$ <u>(7,054)</u>	\$ <u>(4,581)</u>	\$ <u>60,784</u>
<b>Accumulated surplus, beginning of year</b>			
As previously stated		\$ 10,749	\$ 16,985
Prior period adjustment (Note 2)		<u>82,333</u>	<u>15,313</u>
As restated		93,082	32,298
Annual surplus		<u>(4,581)</u>	<u>60,784</u>
Accumulated surplus, end of year		\$ <u>88,501</u>	\$ <u>93,082</u>