

**TOWN OF BAY ROBERTS**

Auditor's Report  
and  
Financial Statements

Year Ended December 31, 2014

**TOWN OF BY ROBERTS**  
**Financial Statements**  
**For the year ended December 31, 2014**

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## STATEMENT OF RESPONSIBILITY

The accompanying Financial Statements are the responsibility of the management of the Town of Bay Roberts and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

Council of the Municipality met with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

BDO Canada LLP, as the Municipality's appointed external auditors, have audited the Financial Statements. The Auditor's Report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Chief Administrative Officer

\_\_\_\_\_  
Date



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## INDEPENDENT AUDITOR'S REPORT

To the Mayor and members of Council of the  
**TOWN OF BAY ROBERTS**

We have audited the accompanying financial statements of the Town of Bay Roberts, which comprise the statement of financial position as at December 31, 2014, and the statements of operations, change in net debt, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation and fair presentation of these 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 financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 these risk assessments, the auditor considers internal control relevant to the entity'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 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 financial statements.

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

### **Basis for qualified opinion**

At December 31, 2014, the Town had an inventory of sand and salt which has not been quantified in these financial statements. We are unable to determine the amount of the inventory at December 31, 2014 and the amount of any adjustment that may be required in expenses for 2014.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**Qualified opinion**

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Town of Bay Roberts as at December 31, 2014 and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

St. John's, Newfoundland and Labrador  
August 30, 2016

*BIOGrade LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS

**TOWN OF BAY ROBERTS  
STATEMENT OF FINANCIAL POSITION  
As at December 31, 2014**

	<u>2014</u>	<u>2013</u>
<b>FINANCIAL ASSETS</b>		
Cash	\$ -	\$ 105,833
Taxes receivable (Note 3)	852,078	732,999
Accounts receivable (Note 4)	1,427,978	2,052,165
Real estate properties held for sale	<u>701,333</u>	<u>444,341</u>
	<u>2,981,389</u>	<u>3,335,338</u>
<b>LIABILITIES</b>		
Bank indebtedness	614,043	-
Accounts payable and accrued liabilities (Note 5)	782,744	876,494
Long-term debt (Note 6)	<u>4,373,636</u>	<u>5,325,060</u>
	<u>5,770,423</u>	<u>6,201,554</u>
<b>NET DEBT</b>	<u>(2,789,034)</u>	<u>(2,866,216)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	29,110,138	28,904,888
Prepaid expenses	<u>22,089</u>	<u>23,680</u>
	<u>29,132,227</u>	<u>28,928,568</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 26,343,193</u>	<u>\$ 26,062,352</u>

Approved on behalf of Council:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Councillor

**TOWN OF BAY ROBERTS  
STATEMENT OF OPERATIONS  
Year Ended December 31, 2014**

	<b>2014 Budget (Note 8)</b>	<b>2014 Actual</b>	<b>2013 Actual</b>
<b>REVENUE</b>			
Taxation	\$ 5,630,514	\$ 5,351,827	\$ 5,279,293
Sales of goods and services	140,500	236,052	355,948
Grants and transfers	1,458,105	874,051	2,366,110
Other revenue	100,500	127,034	88,806
<b>Total revenue (Schedule 2)</b>	<b>7,329,619</b>	<b>6,588,964</b>	<b>8,090,157</b>
<b>EXPENSES</b>			
General government services	1,056,543	1,083,935	1,087,785
Protective services	281,900	173,407	194,371
Transportation services	1,038,353	1,415,886	1,309,696
Environmental health services	799,498	1,061,391	867,393
Regional planning and development	349,793	312,294	221,247
Recreation and cultural services	335,067	858,320	721,848
Fiscal services	1,402,891	1,402,890	1,422,456
<b>Total expenses (Schedule 3)</b>	<b>5,264,045</b>	<b>6,308,123</b>	<b>5,824,796</b>
<b>ANNUAL SURPLUS</b>	<b>2,065,574</b>	<b>280,841</b>	<b>2,265,361</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>26,062,352</b>	<b>26,062,352</b>	<b>23,796,991</b>
<b>ACCUMULATED SURPLUS , END OF YEAR</b>	<b>\$ 28,127,926</b>	<b>\$ 26,343,193</b>	<b>\$ 26,062,352</b>

The accompanying notes are an integral part of these financial statements.

**TOWN OF BAY ROBERTS**  
**STATEMENT OF CHANGE IN NET DEBT**  
**Year Ended December 31, 2014**

	<u>2014 Budget (Note 8)</u>	<u>2014 Actual</u>	<u>2013 Actual</u>
<b>ANNUAL SURPLUS</b>	<b>\$ 2,065,574</b>	<b>\$ 280,841</b>	<b>\$ 2,265,361</b>
Acquisition of tangible capital assets	(1,410,000)	(1,337,984)	(2,151,056)
Amortization of tangible capital assets	-	1,132,733	1,127,539
(Increase) decrease in prepaids	-	1,592	(9,240)
	<u>(1,410,000)</u>	<u>(203,659)</u>	<u>(1,032,757)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>655,574</b>	<b>77,182</b>	<b>1,232,604</b>
<b>NET DEBT, BEGINNING OF YEAR</b>	<u><b>(2,866,216)</b></u>	<u><b>(2,866,216)</b></u>	<u><b>(4,098,820)</b></u>
<b>NET DEBT, END OF YEAR</b>	<u><b>\$ (2,210,642)</b></u>	<u><b>\$ (2,789,034)</b></u>	<u><b>\$ (2,866,216)</b></u>



**TOWN OF BAY ROBERTS**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2014**

	<u>2014</u>	<u>2013</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 280,841	\$ 2,265,361
Amortization	1,132,733	1,127,539
Changes in non-cash items:		
Amounts receivable	505,105	(988,192)
Prepays	1,592	(9,242)
Accounts payable and accrued liabilities	(93,748)	550,416
Deferred revenue	-	(125,000)
Cash provided by operating transactions	<u>1,826,523</u>	<u>2,820,882</u>
<b>CAPITAL TRANSACTIONS</b>		
Cash used to acquire tangible capital assets	<u>(1,337,984)</u>	<u>(2,151,056)</u>
Cash applied to capital transactions	<u>(1,337,984)</u>	<u>(2,151,056)</u>
<b>INVESTING TRANSACTIONS</b>		
Acquisition of real estate properties	<u>(256,991)</u>	<u>(14,284)</u>
Cash applied to investing transactions	<u>(256,991)</u>	<u>(14,284)</u>
<b>FINANCING TRANSACTIONS</b>		
Proceeds of long-term debt	-	-
Debt repayment	<u>(951,424)</u>	<u>(940,532)</u>
Cash applied to financing transactions	<u>(951,424)</u>	<u>(940,532)</u>
<b>DECREASE IN CASH</b>	<b>(719,876)</b>	<b>(284,988)</b>
<b>CASH, BEGINNING OF YEAR</b>	<u><b>105,833</b></u>	<u><b>390,821</b></u>
<b>CASH (DEFICIENCY), END OF YEAR</b>	<u><u><b>\$ (614,043)</b></u></u>	<u><u><b>\$ 105,833</b></u></u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF BAY ROBERTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at December 31, 2014**

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**1. Significant accounting policies**

**(a) Nature of operations**

The incorporated Town of Bay Roberts (the "Town") is a municipal government that was incorporated in 1951 pursuant to the Province of Newfoundland and Labrador's Municipalities Act. The Municipality provides or funds municipal services such as fire, public works, parks and recreation, library, tourism and other general government operations.

**(b) Basis of accounting**

The financial statements of the Town are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

**(c) Real Estate Properties Held for Sale**

Real estate properties held for sale are recorded at the lower of cost and net realizable value. Cost includes the amount of acquisition, legal fees, and improvements to prepare the properties for sale or servicing. In the event of a decline in the market value which is other than temporary in nature, the balance is written down to market value.

It is anticipated that real estate properties held for sale will not be sold outside the reporting entity within one year of the financial statement date.

**(d) Retirement benefits, post-employment benefits and compensated absences**

The Town provides retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, vesting sick leave, vesting vacation days and severance benefits. The Town has adopted the following policies with respect to accounting for these employee benefits:

**Severance pay**

The Town accounts for severance pay on an accrual basis for all employees who have a vested right to receive such payment. The amount is payable when the employee ceases employment with the Town in all situations excluding dismissal for just cause or quitting. Payment is not to exceed \$15,000 for unionized employees. The liability accrued is invested in the names of both the employer and employee until such time as the employee is in a qualifying position to receive it. The Town has a policy in place which allows any employee who has a combination of age and years of service totalling seventy to collect severance pay.

**TOWN OF BAY ROBERTS  
NOTES TO THE FINANCIAL STATEMENTS  
As at December 31, 2014**

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**1. Significant accounting policies (continued)**

**Vacation pay**

Annual vacation entitlement for each calendar year is either taken by the employee or paid out by the Town on or before December 15th of the year. The Town does not allow employees to carry over unused vacation.

**Sick leave**

All eligible employees earn sick leave at a rate of 12 days for each year of service. If sick leave is not used during the year, the Town pays up to a maximum of 12 days of unused sick leave on or before December 15th of the year.

**Retirement benefit**

The Town participates in a multiemployer defined benefit pension plan, however, sufficient information is not available to use defined benefit accounting therefore the Town accounts for the plan as if it were a defined contribution plan. As such, no pension liability is included in the Town's financial statements and contributions are recognized as an expense in the year to which they relate. Contributions are a defined amount based upon a set percentage.

**Post-employment benefit**

The Town provides a post-employment benefit in the form of an extended group health plan to employees, the cost of which is shared equally by the Town and employees. For each employee who has a minimum of ten years of service and is at least 55 years of age, the Town will pay 50% of the employee's health insurance premiums. After the age of 65, each employee is required to join Blue Cross or a similar health plan. The costs associated with this benefit are recognized as an expense on an annual basis.

**(e) Non-Financial Assets**

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

**TOWN OF BAY ROBERTS  
 NOTES TO THE FINANCIAL STATEMENTS  
 As at December 31, 2014**

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**1. Significant accounting policies (continued)**

**(f) Tangible Capital Assets**

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Contributed tangible capital assets are recorded at fair value at the time of donation, with a corresponding amount recorded as revenue. Assets under construction are not amortized until the asset is available for productive use. Once the asset is available for productive use, the cost, less residual value, of the tangible capital asset is amortized on a straight-line basis over its estimated useful life as follows:

**General tangible capital assets**

Land	Indefinite
Land Improvements	10 to 50 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Term of lease
Vehicles and Equipment	
Vehicles	5 - 10 years
Machinery, equipment and furniture	5 - 10 years
Maintenance and road construction equipment	10 years

**Infrastructure Assets**

Transportation	
Land	Indefinite
Road surface	5 to 20 years
Road grade	30 years
Bridges	30 to 50 years
Traffic lights and equipment	10 to 15 years
Marine Structures	25 years
Water and Sewer	
Land	Indefinite
Land improvements	50 years
Buildings	25 to 40 years
Underground networks	15 to 100 years
Machinery and equipment	15 years
Dams and other surface water structures	25 to 50 years

**TOWN OF BAY ROBERTS  
NOTES TO THE FINANCIAL STATEMENTS  
As at December 31, 2014**

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**1. Significant accounting policies (continued)**

**(g) Segmented information**

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

**General government services**

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

**Protective services**

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

**Transportation services**

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

**Environmental health services**

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

**Planning and development**

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

**Recreation and cultural services**

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

**Fiscal services**

This segment includes all expenses relating to uncollectible amounts, long-term debt interest and amortization of tangible capital assets.

**TOWN OF BAY ROBERTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at December 31, 2014**

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**1. Significant accounting policies (continued)**

**(h) Government transfers**

Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have not been met, and reasonable estimates of the amount can be made, except to the extent that the transfer stipulations give rise to an obligation that meets the definition of a liability.

Transfers are recognized as deferred revenue when amounts have been received but eligibility criteria have not been met. Transfers are recognized as revenue in the statement of operations as the stipulated liabilities are settled.

**(i) Revenue recognition**

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

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

**(j) Use of estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates. Estimates include the allowance for doubtful accounts relating to the collection of tax revenues, the useful lives of tangible capital assets and the assumptions used in determining the obligation for retirement benefits and employee benefits.

**TOWN OF BAY ROBERTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at December 31, 2014**

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**2. Sufficiency of bonds**

Fidelity bond coverage of \$50,000 is carried on employees in a position of trust. This coverage is considered to be adequate.

**3. Taxes receivable**

	<u>2014</u>	<u>2013</u>
Property tax	\$ 912,028	\$ 794,650
Business tax	264,010	203,177
Water and sewer tax	<u>348,018</u>	<u>324,512</u>
	1,524,056	1,322,339
Less allowance for doubtful amounts	<u>(671,978)</u>	<u>(589,340)</u>
	<u><u>\$ 852,078</u></u>	<u><u>\$ 732,999</u></u>

**4. Accounts receivable**

	<u>2014</u>	<u>2013</u>
Due from provincial government	\$ 873,931	\$ 1,534,928
HST Rebate	177,430	183,701
Interest on tax arrears	363,298	283,915
Other	<u>13,319</u>	<u>49,621</u>
	<u><u>\$ 1,427,978</u></u>	<u><u>\$ 2,052,165</u></u>

**5. Accounts payable and accrued liabilities**

	<u>2014</u>	<u>2013</u>
Accounts payable	\$ 499,378	\$ 443,199
Accrued expenses	-	30,672
Employee severance	66,741	60,842
Prepaid taxes	65,939	78,018
Capital payables and holdbacks	<u>150,686</u>	<u>263,763</u>
	<u><u>\$ 782,744</u></u>	<u><u>\$ 876,494</u></u>

**TOWN OF BAY ROBERTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at December 31, 2014**

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6. Long term debt	2014	2013
<b>Bank of Montreal</b>		
Loan bearing interest at a rate of prime per annum, repayable in monthly blended payments of \$61,167. The loan is reviewed annually and consolidated with any loan drawdowns for the previous year.	\$ 946,167	\$ 1,640,532
Loan bearing interest at a rate of prime per annum and repayment terms not yet established.	350,000	350,000
Loan bearing interest at a rate of prime per annum and repayment terms not yet established.	250,000	250,000
Loan bearing interest at a rate of prime per annum, repayable in monthly blended installments of \$893, maturing on December 31, 2027.	114,944	122,102
Loan bearing interest at a rate of prime per annum, repayable in monthly blended installments of \$3,300, maturing on December 31, 2027.	427,870	451,007
Loan bearing interest at a rate of prime per annum, repayable in monthly blended installments of \$3,366, maturing on December 31, 2027.	433,061	460,028
Loan bearing interest at a rate of prime per annum, repayable in monthly blended installments of \$2,244, maturing on December 31, 2027.	288,708	306,685
Loan bearing interest at a rate of prime per annum, repayable in monthly blended installments of \$4,143, maturing on December 31, 2027.	533,071	566,264
Loan bearing interest at a rate of prime per annum, repayable in monthly blended installments of \$3,960, maturing on December 31, 2027.	513,398	541,160



**TOWN OF BAY ROBERTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at December 31, 2014**

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**6. Long term debt (continued)**

	<u>2014</u>	<u>2013</u>
Loan bearing interest at a rate of prime per annum, repayable in monthly blended installments of \$3,960, maturing on December 31, 2027.	<b>513,398</b>	541,160
Fixed rate term loan bearing interest at 2.86% per annum, repayable in semi-annual installments of \$55,163, maturing on October 31, 2017.	<b>\$ 316,996</b>	\$ 413,966
Fixed rate term loan bearing interest at prime +3.00% per annum, repayable in semi-annual installments of \$17,821, maturing on February 29, 2016.	<u><b>199,421</b></u>	<u>223,317</u>
Total long-term debt	<u><b>\$ 4,373,636</b></u>	<u><b>\$ 5,325,060</b></u>

Principal payments required in each of the next five years are as follows:

2015	\$ 937,736
2016	568,108
2017	289,790
2018	217,884
2019	188,838
Thereafter	<u>2,171,280</u>
	<u><b>\$ 4,373,636</b></u>

**TOWN OF BAY ROBERTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**As at December 31, 2014**

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**7. Post - Employment Benefits**

TRIO Pension Plan

The Town participates in a multi-employer defined benefit TRIO pension plan administered by Newfoundland & Labrador Municipal Employee Benefits Inc. (NLMEB). The plan assets are administered by NLMEB and the Town is responsible for making contributions to the plan sufficient to fund 50% of the Town's portion of any solvency deficiency as determined by an actuary. Since the plan is a multi-employer plan, any plan surpluses or deficits are the joint responsibility of the member employers and their employees. As a result, the Town does not recognize any share of the pension plan surplus or deficit. The most recent actuarial valuation filed with pension regulators was completed for December 31, 2013 and indicated that the plan had plan assets valued at \$73,687,000 (2012 - \$64,216,000), a benefit obligation of \$80,636,000 (2012 - \$72,381,000) and a resulting going concern deficit of \$6,949,000 (2012 - \$8,165,000). There was a solvency deficit of \$44,059,000 (2012 - \$54,725,000). The next valuation will be prepared as at December 31, 2014. Total contributions paid during the year were \$141,772.

**8. Budget**

In accordance with the Province of Newfoundland and Labrador's Municipalities Act, every council must adopt a financial plan for each fiscal period in a form approved by the minister. The financial plan is prepared on a revenue and expenditure basis that does not meet the recommendations of PSAB. For comparative purposes, the Town has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by Council.

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

**9. Comparative amounts**

Certain comparative amounts in these financial statements have been reclassified to conform to the presentation adopted in the current year.

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

The Municipality's position in these respects was considered satisfactory.

TOWN OF BAY ROBERTS

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2014

Schedule 1

Cost	General Capital Assets					Infrastructure		Totals
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Roads, Streets, and Bridges	Water and Sewer	Recreational Facilities	2014	2013
Opening costs	\$ 276,162	\$ 3,417,441	\$ 2,548,686	\$ 4,063,648	\$ 38,845,410	\$ 546,081	\$ 49,697,428	\$ 47,546,373
Additions during the year	-	-	126,360	418,644	694,010	98,970	1,337,984	2,151,056
Disposals and write downs	-	-	-	-	-	-	-	-
Closing costs	276,162	3,417,441	2,675,046	4,482,292	39,539,420	645,051	51,035,412	49,697,429
<b>Accumulated Amortization</b>								
Opening accum'd amortization	-	3,015,092	1,311,510	2,562,824	13,875,812	27,302	20,792,541	19,665,002
Amortization	-	16,053	161,336	169,685	753,846	31,813	1,132,733	1,127,539
Disposals and write downs	-	-	-	-	-	-	-	-
Closing accum'd amortization	-	3,031,145	1,472,846	2,732,509	14,629,658	59,115	21,925,274	20,792,541
<b>Net Book Value of Tangible Capital Assets</b>	<b>\$ 276,162</b>	<b>\$ 386,296</b>	<b>\$ 1,202,200</b>	<b>\$ 1,749,783</b>	<b>\$ 24,909,762</b>	<b>\$ 585,936</b>	<b>\$ 29,110,138</b>	<b>\$ 28,904,888</b>

The accompanying notes are an integral part of these financial statements.

**TOWN OF BAY ROBERTS**  
**SCHEDULE OF REVENUES**  
**Year Ended December 31, 2014**

**SCHEDULE 2**

	<u>2014 Actual</u>	<u>2013 Actual</u>
<b>Taxation</b>		
Property tax	\$ 3,508,157	\$ 3,448,924
Poll tax	32,452	59,446
Business tax	1,087,819	1,051,698
Water and sewer tax	849,222	842,609
Discounts on taxation revenue	(125,823)	(123,384)
	<u>5,351,827</u>	<u>5,279,293</u>
<b>Sales of goods and services</b>		
Permits and certificates	31,200	37,150
Recreation and cultural services	148,234	189,648
Fire protection service fees	33,056	31,100
Water supply	21,200	32,500
Other sales of goods and services	2,362	65,550
	<u>236,052</u>	<u>355,948</u>
<b>Grants and transfers</b>		
Government of Newfoundland and Labrador		
Municipal operating grant	198,486	160,981
Municipal capital grant	357,513	1,121,974
Gas tax revenue	116,028	812,198
Other provincial grants and/or subsidies	145,703	204,006
	<u>817,730</u>	<u>2,299,159</u>
Government of Canada	56,321	66,951
	<u>874,051</u>	<u>2,366,110</u>
<b>Other revenue</b>		
Other contributions	2,416	2,545
Interest earned on tax arrears	124,618	86,261
	<u>127,034</u>	<u>88,806</u>
<b>Total Revenue</b>	<u>\$ 6,588,964</u>	<u>\$ 8,090,157</u>

**TOWN OF BAY ROBERTS  
CONSOLIDATED SCHEDULE OF EXPENSES  
Year Ended December 31, 2014**

**SCHEDULE 3**

	<u>2014</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
<b>General government services</b>		
Legislative	\$ 85,155	\$ 94,432
General administrative	<u>998,780</u>	<u>993,353</u>
	<u>1,083,935</u>	<u>1,087,785</u>
<b>Protective services</b>		
Fire	163,718	160,347
Municipal enforcement	<u>9,689</u>	<u>34,024</u>
	<u>173,407</u>	<u>194,371</u>
<b>Transportation services</b>		
Road, street, sidewalk maintenance	1,080,056	1,015,637
Snow removal	153,797	117,599
Street lighting	<u>182,033</u>	<u>176,460</u>
	<u>1,415,886</u>	<u>1,309,696</u>
<b>Environmental health services</b>		
Water and sewer	428,370	315,594
Garbage and waste collection and disposal	<u>633,021</u>	<u>551,799</u>
	<u>1,061,391</u>	<u>867,393</u>
<b>Regional planning and development</b>		
Community improvement and development	153,566	38,108
Tourism and marketing	<u>158,728</u>	<u>183,139</u>
	<u>312,294</u>	<u>221,247</u>
<b>Recreation and cultural services</b>		
Swimming pool	132,349	156,805
Parks and playgrounds	182,420	171,719
Other recreation and cultural services and events	<u>543,551</u>	<u>393,324</u>
	<u>858,320</u>	<u>721,848</u>
<b>Fiscal services</b>		
Interest on long-term debt	154,197	179,108
Provision for uncollectible taxes, fees and charges	115,960	115,809
Amortization	<u>1,132,733</u>	<u>1,127,539</u>
	<u>1,402,890</u>	<u>1,422,456</u>
<b>Total Expenses</b>	<u>\$ 6,308,123</u>	<u>\$ 5,824,796</u>

TOWN OF BAY ROBERTS  
CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT  
YEAR ENDED DECEMBER 31, 2014

SCHEDULE 4

	2014 Actual	2013 Actual
Accounting Fees	\$ (26,633)	\$ 7,560
Amortization	1,132,733	1,127,539
Assessment Fees	104,636	103,376
Bad Debt	115,960	115,807
Maintenance, improvements and purchases	647,386	245,410
Clothing Allowance	5,775	-
Remuneration	100,046	99,570
Community events and development	348,244	213,404
Elections	-	10,819
Heat and light	373,930	342,361
Incinerator Fees	170,424	176,337
Insurance	54,490	49,585
Interest & Bank Charges	39,091	38,341
Interest on Long Term Debt	154,198	179,108
Marketing and community support	65,824	62,561
Memberships	9,125	7,493
Salaries, benefits and contractors	1,864,560	1,780,744
Maintenance, operating and related supplies	716,028	858,882
Telephone	16,259	17,560
Vehicle and equipment operating and travel	379,374	361,435
Workers Compensation	36,673	26,904
	<u>\$ 6,308,123</u>	<u>\$ 5,824,796</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

Year Ended December 31, 2014

	Financial Plan	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
<b>REVENUE</b>							
Taxation	\$ 5,630,514	-	-	-	-	-	\$ 5,630,514
Sales of goods and services	140,500	-	-	-	-	-	140,500
Grants and transfers	1,458,105	-	-	-	-	-	1,458,105
Other revenue	100,500	-	-	-	-	-	100,500
<b>Total revenue</b>	<b>7,329,619</b>	-	-	-	-	-	<b>7,329,619</b>
<b>EXPENSES</b>							
General government services	1,056,543	-	-	-	-	-	1,056,543
Protective services	281,900	-	-	-	-	-	281,900
Transportation services	1,038,353	-	-	-	-	-	1,038,353
Environmental health services	799,498	-	-	-	-	-	799,498
Regional planning and development	349,793	-	-	-	-	-	349,793
Recreation and cultural services	335,067	-	-	-	-	-	335,067
Fiscal services:							
Capital expenditures	1,410,000	-	-	(1,410,000)	-	-	-
Debt charges	1,942,505	-	(1,942,505)	-	-	-	-
Interest on long-term debt	-	-	154,198	-	-	-	154,198
Amortization	-	1,132,733	-	-	-	-	1,132,733
Authorized transfers to reserves	-	-	-	-	-	-	-
Bad debt provision	115,960	-	-	-	-	-	115,960
<b>Total expenses</b>	<b>7,329,619</b>	<b>1,132,733</b>	<b>(1,788,307)</b>	<b>(1,410,000)</b>	-	-	<b>5,264,045</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ (1,138,733)</b>	<b>\$ (1,116,089)</b>	<b>\$ (1,410,000)</b>	-	-	<b>\$ 2,065,574</b>

The accompanying notes are an integral part of these financial statements.