

Town of Port au Port East

Port au Port, NL

Consolidated Financial Statements

December 31, 2018



Town of Port au Port East
Consolidated Financial Statements
December 31, 2018
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STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Port au Port East 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 Canadian Institute of Chartered Professional Accountants.

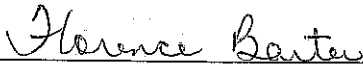
In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial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

The Council of Municipality met with management and its external auditors to review a draft of the Consolidated Financial Statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized consolidated financial statements.

Darren Roberts, Chartered Professional Accountant as the Municipality's appointed external auditor, has audited the Consolidated 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 Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian generally accepted accounting principles.



Jim Cashin
Mayor



Florence Barter
Town Clerk



The Mayor and Councillors
Town of Port au Port East

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying Consolidated Financial Statements of Town of Port au Port East, which is comprised of the Consolidated Statement of Financial Position, the Consolidated Statement of Operations, the Consolidated Statement of Change in Net Financial Assets (Net Debt), the Consolidated Statement of Cash Flows, a summary of the significant accounting policies and other explanatory information for the year ended, December 31, 2018.

Management's Responsibility for the Consolidated Financial Statements

It is the responsibility of the Management of the Town of Port au Port East to ensure the accompanying Consolidated Financial Statements have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards. It is also Management's responsibility to ensure appropriate responsibility to ensure appropriate systems of internal and administrative controls are maintained 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.

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. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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, these Consolidated Financial Statements present fairly, in all material respect, the financial position of the Town of Port au Port East as at December 31, 2018 and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with the Canadian Public Sector Accounting Standards.

Stephenville, NL
January 28, 2019


Chartered Professional Accountant



January 28, 2019

The Mayor and Councillors of
 The Town of Port au Port East

In compliance with the requirements of Section 91 of The Municipalities Act, 2001, we report as follows on the audit of the accounts of the Council for the year ended December 31, 2018.

1. Expenditure in relation to budget

Expenditure at \$501,771.00 exceeded the limits of the approved budget by \$8,259.00 which can be accounted for as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u> <u>Budget</u>
General government	\$ 123,795	\$ 167,148	\$ (43,353)
Protective services	36,144	49,071	(12,927)
Transportation services	87,850	79,900	7,950
Environmental health	225,875	204,804	21,071
Regional planning & development	8,800	-	8,800
Recreation & cultural services	11,048	848	10,200
Other			
	<u>\$ 493,512</u>	<u>\$ 501,771</u>	<u>\$ (8,259)</u>

2. Arrears of revenue

Taxes and rates receivable totalled \$5,002.00 at December 31, 2018. Of this amount \$350.00 has been outstanding for one year or longer, while the balance of \$4,652.00 represents arrears on account of taxes and rates levied in 2018.

The allowance for doubtful accounts amounted to \$350.00 at December 31, 2018. In our opinion the allowance is adequate.

3. The manner in which the accounts have been kept and the adequacy of the safeguards against fraud.

The position in these respects was considered adequate.

4. Sufficiency of bonds

Fidelity bond coverage of \$50,000 is carried on the employees of the Council who are in a position of trust. In our opinion, the coverage is sufficient.

Town of Port au Port East
Consolidated Statement of Financial Position
December 31, 2018

	<u>2018</u>	<u>2017</u>
<i>Assets</i>		
<i>Financial Assets</i>		
Cash and short-term investments	\$ 373,269	\$ 291,855
Accounts receivable (Note 3)	<u>60,368</u>	<u>95,109</u>
	<u>433,637</u>	<u>386,964</u>
<i>Liabilities</i>		
Accounts payable and accrued liabilities (Note 4)	54,086	9,537
Long term debt (Note 6)	133,385	186,425
Deferred revenue (Note 5)	<u>165,713</u>	<u>177,997</u>
	<u>353,184</u>	<u>373,959</u>
<i>Net Financial Assets (Net Debt)</i>	<u>80,453</u>	<u>13,005</u>
<i>Net Financial Assets</i>		
Tangible Capital Assets (Schedule 1)	<u>2,302,403</u>	<u>2,097,530</u>
<i>Accumulated Surplus</i>	<u>\$ 2,382,856</u>	<u>\$ 2,110,535</u>

Signed on behalf of Council

Signed by Mayor: Jim Cashin

Signed by Town Clerk: Florence Barten

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



Town of Port au Port East
Consolidated Statement of Operations
December 31, 2018

	<u>Budget</u> (Schedule 3)	<u>2018</u>	<u>2017</u>
Revenue			
Taxation	\$ 320,278	\$ 309,347	\$ 303,820
Government grants and transfers	136,665	429,349	973,360
Other revenue	4,600	35,396	44,231
	<u>461,543</u>	<u>774,092</u>	<u>1,321,411</u>
Expenditure			
General government services	123,795	167,148	168,278
Protection services	36,144	49,071	33,633
Transportation services	87,850	79,900	93,565
Environmental health services	225,875	204,804	157,824
Recreation services	11,048	848	848
Planning and development	8,800	-	-
	<u>493,512</u>	<u>501,771</u>	<u>454,148</u>
Annual Surplus (Deficit)	\$ <u>(31,969)</u>	272,321	867,263
Surplus, Beginning of Year		<u>2,110,535</u>	<u>1,243,272</u>
Surplus, End of Year		\$ <u>2,382,856</u>	\$ <u>2,110,535</u>

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



Town of Port au Port East
Consolidated Statement of Change In Net Financial Asset
December 31, 2018

	<u>Budget</u> (Schedule 8)	<u>2018</u>	<u>2017</u>
<i>Annual Surplus</i>	\$ (31,969)	\$ 272,322	\$ 867,262
Acquisition of tangible capital assets	(321,154)	(321,154)	(802,799)
Amortization of tangible capital assets	<u>116,281</u>	<u>116,281</u>	<u>89,671</u>
<i>Change In Net Financial Assets</i>	(236,842)	67,449	154,134
<i>Net Financial Assets (Net Debt), Beginning of Year</i>		<u>13,004</u>	<u>(141,130)</u>
<i>Net Financial Asssets (Net Debt), End of Year</i>		<u>\$ 80,453</u>	<u>\$ 13,004</u>

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



Town of Port au Port East
Consolidated Statement of Cash Flows
For The Year Ended December 31, 2018

	<u>2018</u>	<u>2017</u>
<i>Operating Transactions</i>		
Annual surplus	\$ 272,322	\$ 867,263
Changes in non-cash items:		
Account receivable	34,741	(78,055)
Account payable and accrued liabilities	44,546	(12,341)
Amortization	116,281	89,671
Deferred revenue	<u>(12,284)</u>	<u>(12,285)</u>
Cash provided by operating transactions	<u>455,606</u>	<u>854,253</u>
<i>Investing Activities</i>		
Purchase of capital assets	<u>(321,153)</u>	<u>(802,799)</u>
<i>Financing Transactions</i>		
Repayment of long-term debt	(53,039)	(59,686)
Loan addition	<u>-</u>	<u>82,897</u>
	<u>(53,039)</u>	<u>23,211</u>
<i>Increase in Cash</i>	81,414	74,665
<i>Cash, Beginning of Year</i>	<u>291,855</u>	<u>217,190</u>
<i>Cash, End of Year</i>	<u>\$ 373,269</u>	<u>\$ 291,855</u>

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



Town of Port au Port East
Notes To The Consolidated Financial Statements
For The Year Ended December 31, 2018

1. Nature of Business

The Town of Port au Port East is a municipal government incorporated pursuant of the Province of Newfoundland and Labrador's Municipalities Act. The Town provides and funds municipal services including fire, public works, recreation and other government services.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and reflect the following significant accounting policies:

a) Basis of Consolidation

The financial statements include all the assets, liabilities, revenue and expenses of the reporting entity including local boards and committees.

b) Cash

Cash includes cash balance and bank balance.

c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Assets under construction are not amortized until the asset is put into use. The cost of the tangible capital asset is amortized on a straight-straight-line basis over their estimated useful lives as follows:

Buildings	25-50 years
General equipment	5 years
Transportation infrastructure	20-30 years
Vehicle and equipment	20 years
Water and sewer infrastructure	30-50 years
Sanitation infrastructure	20 years

d) Revenue Recognition

Revenues are recognized as earned and when collection is reasonably assured. Tax rates are approved annually by Council.

e) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for the public sector 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 these estimates.

Town of Port au Port East
Notes To The Consolidated Financial Statements
For The Year Ended December 31, 2018

3. Accounts Receivable

	<u>2018</u>	<u>2017</u>
Taxes Receivable	\$ 5,002	\$ 4,048
HST Rebate	42,804	90,357
Capital works receivable	<u>12,912</u>	<u>1,054</u>
	60,718	95,459
Less allowance for doubtful accounts	<u>350</u>	<u>350</u>
	<u>\$ 60,368</u>	<u>\$ 95,109</u>

4. Accounts Payable and Accrued Liabilities

	<u>2018</u>	<u>2017</u>
Accounts Payable	\$ 53,101	\$ 7,643
Accrued Expenses	<u>984</u>	<u>1,894</u>
	<u>\$ 54,085</u>	<u>\$ 9,537</u>

5. Deferred Revenue

Represents funds received to purchase a Regional Fire Truck and Equipment. The grants are being amortized at the same rate as the Fire Truck over 20 years and the Equipment over 5 years.

	<u>2018</u>	<u>2017</u>
Grants	\$ 216,706	\$ 216,706
Amortized	<u>50,993</u>	<u>38,709</u>
	<u>\$ 165,713</u>	<u>\$ 177,997</u>

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

The Town's position in these respects was considered satisfactory for a municipality of its size. Our auditors designed and performed 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. However, as a result of their audit, no significant deficiencies in internal control were reported to the Town that would indicate that the Town's controls were not effective for the purposes of their audit.



Town of Port au Port East
Notes To The Consolidated Financial Statements
For The Year Ended December 31, 2018

7. Long Term-Debt	<u>2018</u>	<u>2017</u>
Newfoundland Municipal Financing Corporation		
- 6.75% interest, repayable in semi-annual blended payment of \$8,170, due 2018.	\$ 12,375	\$ 20,001
- 6.375% interest repayable in semi-annual blended payment of \$4,391, due 2020.	-	7,901
- 6.375% interest, repayable monthly principal payment of \$11,338, due 2020.	31,956	51,648
- 6.375% interest, repayable monthly principal payment of \$5,935, due 2020.	16,728	27,037
Bank of Montreal		
- prime + 1.5% interest repayable monthly principal payment of \$322, due 2018.	-	966
- prime + 1.5% interest repayable monthly principal payment of \$113, due 2017.	-	227
- prime + 1.5% interest repayable monthly principal payment of \$848, due 2025.	72,326	78,645
	<u>\$ 133,385</u>	<u>\$ 186,425</u>

Long Term Debt is guaranteed by the Province of Newfoundland and Labrador.

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

2019	\$ 50,214
2020	31,170
2021	10,176
2022	10,176
2023	10,176

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 of Lourdes has modified its financial plan to prepare a budget that is consistent with the scope of accounting principles used to report the actual results. The budget figure 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 8 - Reconciliation of the Financial Plan to the Budget.



Consolidated Schedule Of Tangible Capital Assets
Year Ended December 31, 2018

	Cost		Accumulated Amortization		Net Book Value
	Dec.31/2017	Addition (Disposal)	Dec.31/2017	Addition (Disposal)	
Land	\$ 15,529	\$ -	\$ -	\$ -	\$ 15,529
Buildings	210,858	-	167,683	3,932	39,243
Vehicles & equipment	291,144	9,372	64,953	23,316	212,247
Transportation & infrastructure	834,034	-	731,117	11,229	91,688
General equipment	17,782	-	10,522	521	6,739
Water infrastructure	2,430,939	311,782	737,646	76,435	1,928,640
Recreation infrastructure	105,256	-	96,091	848	8,317
	<u>\$ 3,905,542</u>	<u>\$ 321,154</u>	<u>\$ 1,808,012</u>	<u>\$ 116,281</u>	<u>\$ 2,302,403</u>

	Cost		Accumulated Amortization		Net Book Value
	Dec.31/2016	Addition (Disposal)	Dec.31/2016	Addition (Disposal)	
Land	\$ 15,529	\$ -	\$ -	\$ -	\$ 15,529
Buildings	210,858	-	163,557	4,126	43,175
Vehicles & equipment	283,861	7,283	42,574	22,379	226,191
Transportation & infrastructure	834,034	-	719,888	11,229	102,917
General equipment	17,782	-	10,001	521	7,260
Water infrastructure	1,696,406	734,533	748,061	(10,415)	1,693,293
Recreation infrastructure	105,256	-	95,243	848	9,165
	<u>\$ 3,163,726</u>	<u>\$ 741,816</u>	<u>\$ 1,779,324</u>	<u>\$ 28,688</u>	<u>\$ 2,097,530</u>



Consolidated Schedule of Revenue & Expenditure - Revenue
For The Year Ended December 31, 2018

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
<i>Taxation</i>			
Property tax	\$ 209,884	\$ 200,881	\$ 198,556
Business tax	34,844	34,946	33,572
Poll tax	1,800	1,400	350
Water rates	73,750	72,120	71,342
	<u>320,278</u>	<u>309,347</u>	<u>303,820</u>
<i>Government Grants & Subsidies</i>			
Province of Newfoundland & Labrador Subsidies			
Municipal assistance grants	37,863	37,863	37,863
Grants regarding debt	47,413	51,496	59,667
Provincial gas tax	17,379	17,379	8,690
Capital works grant	-	276,317	711,539
Other grant	-	12,284	42,801
Federal gas tax	34,010	34,010	112,800
	<u>136,665</u>	<u>429,349</u>	<u>973,360</u>
<i>Other</i>			
License and permit	-	380	400
Miscellaneous	4,600	35,016	43,831
	<u>4,600</u>	<u>35,396</u>	<u>44,231</u>
	<u>\$ 461,543</u>	<u>\$ 774,092</u>	<u>\$ 1,321,411</u>



Town of Port au Port East
Consolidated Schedule of Revenue & Expenditure - Expenditure
For The Year Ended December 31, 2018

Schedule 3

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
<i>General Government Services</i>			
Salaries and benefits	\$ 52,100	\$ 61,176	\$ 63,336
General office	25,000	55,771	49,415
Council	8,000	1,257	586
Insurance	9,500	14,158	13,038
Assessment services	11,262	11,313	11,704
Professional development and training	1,000	8,524	13,124
Public relations	1,000	1,540	1,856
Interest on long-term debt	8,480	8,480	10,572
Amortization	4,453	4,453	4,647
Bad debt	3,000	476	-
	<u>123,795</u>	<u>167,148</u>	<u>168,278</u>
<i>Protective Services</i>			
Fire protection	10,000	24,807	10,059
Emergency planning	2,828	948	1,195
Amortization	23,316	23,316	22,379
	<u>36,144</u>	<u>49,071</u>	<u>33,633</u>
<i>Transportation Services</i>			
Maintenance	7,000	6,249	8,140
Snow removal	48,300	44,894	54,898
Street lighting	21,321	17,528	19,299
Amortization	11,229	11,229	11,228
	<u>87,850</u>	<u>79,900</u>	<u>93,565</u>
<i>Environmental Health Services</i>			
Water supply	79,000	77,000	68,089
Sanitation	53,940	51,369	39,166
Amortization	76,435	76,435	50,569
Other environmental services	16,500	-	-
	<u>225,875</u>	<u>204,804</u>	<u>157,824</u>
<i>Planning and Development</i>			
	<u>8,800</u>	-	-
<i>Recreation Services</i>			
Recreation centres	10,200	-	-
Amortization	848	848	848
	<u>11,048</u>	<u>848</u>	<u>848</u>
	<u>\$ 493,512</u>	<u>\$ 501,771</u>	<u>\$ 454,148</u>



**Town of Port au Port East
Consolidated Statement Of Operations By Program
Year Ended December 31, 2018**

Schedule 4

	Government		Services		Services		Services	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenue								
Taxation	\$ 237,227	\$ 232,478	\$ -	\$ -	\$ -	\$ -	\$ 72,120	\$ 71,342
Grants and transfers	377,853	913,693	-	-	-	-	51,496	59,667
Other revenue	35,396	44,231	-	-	-	-	-	-
Total revenue	<u>\$ 650,476</u>	<u>\$ 1,190,402</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 123,616</u>	<u>\$ 131,009</u>
Expenses								
Personnel services	69,700	76,460	-	-	-	-	-	-
Contract services	25,471	24,742	-	-	-	-	-	-
Utilities	-	-	-	-	17,528	19,299	-	-
Maintenance materials & supplies	58,568	51,857	25,755	11,254	51,143	63,038	128,369	107,255
Amortization	4,453	4,647	23,316	22,379	11,229	11,228	76,435	50,569
Interest on long term debt	8,480	10,572	-	-	-	-	-	-
Other	476	-	-	-	-	-	-	-
Total expenses	<u>167,148</u>	<u>168,278</u>	<u>49,071</u>	<u>33,633</u>	<u>79,900</u>	<u>93,565</u>	<u>204,804</u>	<u>157,824</u>
Surplus (Deficit)	<u>\$ 483,328</u>	<u>\$ 1,022,124</u>	<u>\$ (49,071)</u>	<u>\$ (33,633)</u>	<u>\$ (79,900)</u>	<u>\$ (93,565)</u>	<u>\$ (81,188)</u>	<u>\$ (26,815)</u>



Town of Port au Port East
 Consolidated Statement Of Operations By Program
 Year Ended December 31, 2018

Schedule 4 Cont...

	Recreation and Cultural Services		Total	
	2018	2017	2018	2017
Revenue				
Taxation	\$ -	\$ -	\$ 309,347	\$ 303,823
Grants and transfers	-	-	429,349	973,360
Other revenue	-	-	35,396	44,228
Total revenue	\$ -	\$ -	\$ 774,092	\$ 1,321,411
Expenses				
Personnel services	-	-	69,700	76,460
Contract services	-	-	25,471	24,742
Utilities	-	-	17,528	19,299
Maintenance materials & supplies	-	-	263,835	233,404
Amortization	848	848	116,281	89,671
Interest on long term debt	-	-	8,480	10,572
Other	-	-	476	-
Total expenses	848	848	501,771	454,148
Surplus (Deficit)	\$ (848)	\$ (848)	\$ 272,321	\$ 867,263



Town of Port au Port East
Reconciliation Of The Financial Plan To The Budget
Year Ended December 31, 2018

Schedule 8

	Financial Plan	Amortization (TCA)	Interest Expense	Transfers	PSAB Budget
Revenue					
Taxation	\$ 320,278	\$ -	\$ -	\$ -	\$ 320,278
Grants and transfers	136,665	-	-	-	136,665
Other revenue	4,600	-	-	-	4,600
Total revenue	<u>\$ 461,543</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 461,543</u>
Expenses					
Government services	110,862	4,453	8,480	-	123,495
Protective services	12,828	23,316	-	-	36,144
Transportation Services	76,621	11,229	-	-	87,850
Environmental health services	149,440	76,435	-	-	225,875
Regional planning & development	8,800	-	-	-	8,800
Recreation and cultural services	10,200	848	-	-	11,048
Fiscal services:					
Capital expenditures	34,010	-	-	(34,010)	-
Debt charges	58,782	-	-	(58,782)	-
Total expenses	<u>461,543</u>	<u>116,281</u>	<u>8,480</u>	<u>(92,792)</u>	<u>493,212</u>
Surplus (Deficit)	<u>\$ -</u>	<u>\$ (116,281)</u>	<u>\$ (8,480)</u>	<u>\$ 92,792</u>	<u>\$ (31,669)</u>



Schedule of Surplus (Deficit), Revenue and Expenses
Town of Port au Port East
Year Ended December 31, 2018

	Budget	Actual	
	2018	2018	2017
REVENUE			
Taxation			
Property Tax	\$ 209,884	\$ 200,881	\$ 198,556
Water Sewer Tax	73,750	72,120	71,342
Other:			
Poll Tax	1,800	1,400	350
Business Tax	34,844	34,946	33,572
Utility Tax	-	-	-
Other Taxes	-	-	-
Other Revenue - Own Sources			
Sales of Goods and Services	4,600	35,396	44,231
Other	-	-	-
Provincial Government Grants:			
Municipal Operating Grant	37,863	37,863	37,863
Provincial Portion - Debt Charges	47,413	51,496	59,667
Other Grants	-	276,317	42,801
Grant- Federal Gas Tax Revenue	34,010	34,010	112,800
Provincial Gas Tax Revenue	17,379	17,379	8,690
Other Grants	-	12,284	711,539
TOTAL REVENUE	461,543	774,092	1,321,411
EXPENDITURE			
General Government	110,862	154,215	153,059
Protective Services	12,828	25,755	11,254
Transportation Services	76,621	68,671	82,337
Environmental Services	149,440	128,369	107,255
Planning & Development	8,800	-	-
Recreation and Cultural	10,200	-	-
Fiscal Services:			
Debt Servicing - Principal and Interest	58,782	61,519	70,258
Allowance for Doubtful Accounts	-	-	-
Capital out of Revenue	34,010	321,154	802,799
Gas Tax Expenditure	-	-	-
Other	-	-	-
TOTAL EXPENDITURE	461,543	759,683	1,226,962
Current Year Surplus/Deficit	\$ -	\$ 14,409	\$ 94,449
Accumulated Surplus - Opening Balance			
Accumulated Surplus - Closing Balance			

Town of Port au Port East

Port au Port East, NL

**Annual Expenditure Report
Gas Tax Funding Agreement**

December 31, 2018

Contents

1. Auditor's Report
2. Annual Expenditure Report

Auditor's Report

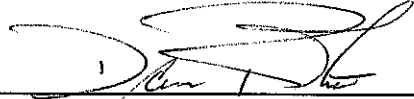
To the Mayors & Councillors of the Town of Port au Port East

We have audited the annual expenditure report for the Town of Port au Port East as at December 31, 2018 with the criteria established by local government gas tax funding agreement. Compliance with the criteria established by the provisions of the agreement is the responsibility of the town's management. Our responsibility is to express an opinion on this compliance based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the Town of Port au Port East complied with the criteria established by the provisions of the agreement referred to above. Such an audit includes examining, on a test basis, evidence supporting compliance, evaluating the overall compliance with these criteria, and where applicable, assessing the accounting principles used and significant estimates made by the town.

In our opinion, as at December 31, 2018, the Town of Port au Port East is in compliance, in all material respects with the criteria established by the gas tax agreement.

Stephenville, NL
January 28, 2019



Chartered Professional Accountant

Appendix A: Summary of Eligible Recipients Fund for Municipalities/Inuit Community Governments 2018 Annual Expenditure Report

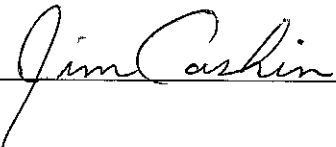
Municipality/Inuit Community Government Town of Port au Port East

Year ended December 31, 2018

	Annual	Cumulative
	01/01/2018 12/31/2018	Date of signing 12/31/2018
1. Opening balance of unspent funding	\$ 112,800	\$ -
2. Received from Government of Newfoundland & Labrador	34,010	375,645
3. Interest earned on gas tax funds	-	-
4. Administration costs	-	-
5. Interest spent on eligible projects	-	-
6. Net interest earned on gas tax funds	-	-
7. Gas tax funds spent on eligible projects	<u>146,810</u>	<u>375,645</u>
8. Closing balance of unspent funding	<u>\$ -</u>	<u>\$ -</u>

Certification by Municipality/Inuit Community Government

I, Jim Cashin, Mayor of the Town/City/Inuit Community Government of Town of Port au Port East certify that the information reported is a true and accurate representation of the Municipality/Inuit Community Government's position with respect to its federal gas tax revenues. I acknowledge and understand that any contravention of the terms and conditions of the Local Government Gas Tax Funding Agreement/Inuit Community Government Gas Tax Funding Agreement may result in funding being withheld.

Signature: 

Date: February 13/19

Does the recipient have a separate bank account for Gas Tax Funding? Yes No

