

**TOWN OF BORDEN-CARLETON**  
**Consolidated Financial Statements**  
**March 31, 2022**

**TOWN OF BORDEN-CARLETON**  
**Index to Consolidated Financial Statements**  
**March 31, 2022**

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## **MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS**

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The accompanying consolidated financial statements of the Town of Borden-Carleton are the responsibility of management and have been prepared in accordance with Canadian Accounting Standards for the Public Sector. A summary of the significant accounting policies are described in the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current period cannot be finalized with a certainty until future periods.

To meet its responsibility, management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

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

The consolidated financial statements have been audited by MRSB Chartered Professional Accountants Inc., independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Town of Borden-Carleton:

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Mayor

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## INDEPENDENT AUDITOR'S REPORT

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### To the Mayor and Councillors of the Town of Borden-Carleton

#### Opinion

We have audited the consolidated financial statements of Town of Borden-Carleton (the Town), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

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## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*MRSB Chartered Professional Accountants Inc.*

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

Charlottetown, PE

February 14, 2023

**TOWN OF BORDEN-CARLETON**  
**Consolidated Statement of Financial Position**  
**March 31, 2022**

	2022	2021
<b>Financial assets</b>		
Cash and cash equivalents		
Unrestricted	\$ 181,362	\$ 124,975
Restricted	802,811	536,561
Accounts receivable (Note 3)	160,335	212,574
	<b>1,144,508</b>	874,110
<b>Liabilities</b>		
Accounts payable and accrued liabilities	129,013	106,985
Deferred revenue (Note 4)	849,313	593,212
Long term debt (Note 5)	1,049,372	1,128,515
	<b>2,027,698</b>	1,828,712
Lease commitments (Note 6)		
<b>Net debt</b> (Statement 6)	<b>(883,190)</b>	(954,602)
<b>Non-financial assets</b>		
Prepaid expense	2,491	20,222
Tangible capital assets (Schedules 1 and 2)	8,207,722	8,218,920
	<b>8,210,213</b>	8,239,142
<b>Accumulated surplus</b> (Statement 5)	<b>\$ 7,327,023</b>	\$ 7,284,540

**ON BEHALF OF COUNCIL**

\_\_\_\_\_ *Mayor*

\_\_\_\_\_ *Councillor*

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Consolidated Statement of Operations**  
**Year Ended March 31, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Town (Schedule 3)	\$ 759,060	\$ 740,575	\$ 707,177
Sewerage (Schedule 5)	170,250	151,123	162,828
Water (Schedule 6)	133,300	136,076	143,175
Gateway Arena (Schedule 7)	118,600	135,218	79,891
	<u>1,181,210</u>	<u>1,162,992</u>	<u>1,093,071</u>
<b>Expenditures</b>			
Town (Schedule 3)	720,436	630,545	632,965
Sewerage (Schedule 5)	183,900	183,381	176,723
Water (Schedule 6)	189,600	163,374	163,088
Gateway Arena (Schedule 7)	183,000	194,687	135,953
	<u>1,276,936</u>	<u>1,171,987</u>	<u>1,108,729</u>
<b>Operating deficit</b>	<u>(95,726)</u>	<u>(8,995)</u>	<u>(15,658)</u>
<b>Government transfers for capital</b>			
Town (Schedule 3)	376,900	33,834	22,474
Sewerage (Schedule 5)	20,250	-	-
Water (Schedule 6)	395,250	11,795	1,889
Gateway Arena (Schedule 7)	9,000	5,849	29,547
	<u>801,400</u>	<u>51,478</u>	<u>53,910</u>
<b>Annual surplus</b>	705,674	42,483	38,252
<b>Accumulated surplus - beginning of year</b>	<u>7,284,540</u>	<u>7,284,540</u>	<u>7,246,288</u>
<b>Accumulated surplus - end of year (Note 8)</b>	<u>\$ 7,990,214</u>	<u>\$ 7,327,023</u>	<u>\$ 7,284,540</u>

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Consolidated Statement of Changes in Net Debt**  
**Year Ended March 31, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>Annual surplus</b>	<b>\$ 705,674</b>	<b>\$ 42,483</b>	<b>\$ 38,252</b>
Amortization of tangible capital assets	-	218,586	212,614
Purchase of tangible capital assets	(913,300)	(207,388)	(90,808)
(Increase) decrease in prepaid expense	-	17,731	(2,099)
	<u>(913,300)</u>	<u>28,929</u>	<u>119,707</u>
<b>Decrease (increase) in net debt</b>	<b>(207,626)</b>	<b>71,412</b>	<b>157,959</b>
<b>Net debt - beginning of year</b>	<b>(954,602)</b>	<b>(954,602)</b>	<b>(1,112,561)</b>
<b>Net debt - end of year</b>	<b>\$ (1,162,228)</b>	<b>\$ (883,190)</b>	<b>\$ (954,602)</b>

Notes 1 - 15 are an integral part of these consolidated financial statements



**TOWN OF BORDEN-CARLETON**  
**Consolidated Statement of Cash Flows**  
**Year Ended March 31, 2022**

	2022	2021
<b>Cash flows from operating activities</b>		
Annual surplus	\$ 42,483	\$ 38,252
Item not affecting cash:		
Amortization of tangible capital assets	218,586	212,614
	<u>261,069</u>	<u>250,866</u>
Changes in non-cash working capital:		
Accounts receivable	52,239	100,954
Prepaid expense	17,731	(2,110)
Accounts payable and accrued liabilities	22,028	(33,737)
Deferred revenue	256,101	147,863
	<u>348,099</u>	<u>212,970</u>
	<u>609,168</u>	<u>463,836</u>
<b>Cash flows from investing activity</b>		
Purchase of property and equipment	<u>(207,388)</u>	<u>(90,808)</u>
<b>Cash flows from financing activity</b>		
Repayment of long term debt	<u>(79,143)</u>	<u>(82,564)</u>
<b>Increase in cash</b>	<b>322,637</b>	<b>290,464</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>661,536</b>	<b>371,072</b>
<b>Cash and cash equivalents - end of year</b>	<b>984,173</b>	<b>661,536</b>
<b>Cash and cash equivalents consist of:</b>		
Unrestricted	\$ 181,362	\$ 124,975
Restricted	802,811	536,561
	<u>\$ 984,173</u>	<u>\$ 661,536</u>

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**1. DESCRIPTION OF BUSINESS**

The Town of Borden-Carleton ("Town") was incorporated under the Prince Edward Island Municipalities Act. The Town is a non-profit organization under the Income Tax Act. Its principal activities include the provision of local government services to residents of the incorporated area.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

These consolidated financial statements of the Town of Borden-Carleton have been prepared by management in accordance with Canadian Accounting Standards for the Public sector.

These 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 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.

Funds within the consolidated financial statements consist of the operating funds for general operations, the fire department and the water and sewerage utilities. Transfers between funds are recorded as adjustments to the appropriate fund balance.

Basis of consolidation

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

Borden-Carleton Water and Sewerage Corporation; and  
Gateway Arena

Cash

Cash and cash equivalents include cash on hand, restricted and unrestricted balances on deposit with financial institutions.

Accounts receivable

Accounts receivable arise from sewer dues, grants receivable, and Harmonized Sales Tax receivable. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed non-collectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

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**TOWN OF BORDEN-CARLETON**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

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 life as follows:

Park	4%
Buildings	2.5% and 5%
Fire vehicles	6.67%
Equipment	10%
Electronic equipment	25%
Streets and sidewalks	4%
Vehicles	20%
Sewer system	1.2%
Sewer equipment	1.2%
Water system	1.2%
Water equipment	5%
Water reservoir	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.

The Water and Sewerage tangible capital assets are amortized using the straight-line method over the estimated useful life as directed by the Island Regulatory and Appeals Commission.

The Town regularly reviews its tangible capital assets to eliminate obsolete items.

Impairment of long lived assets

The Town tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

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 year 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.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for the use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net debt for the period.

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**TOWN OF BORDEN-CARLETON**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Revenue recognition

Property tax billings are based on the assessed value of real property in the Town and are payable in each calendar year. Municipal tax rates are reviewed, established, and approved annually by the Town Council. These revenues are recognized monthly when received from the Province.

Sewer and water dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed annually and are recognized when billings come due.

The Town follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred, with recognition of excess amounts being deferred until the related expenditure is 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 Accounting Standards for the Public sector requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities at the date of the consolidated financial statements, and the reported amounts of revenues 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 consolidated statement of operations is subject to management's assessment of the estimated useful life of the Town's tangible capital assets
- The recognized amounts of potential claims and liabilities depend on management's assessment of future costs and the probability these events will occur.

**TOWN OF BORDEN-CARLETON**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

**3. ACCOUNTS RECEIVABLE**

	<b>2022</b>	<b>2021</b>
Sewer trade	\$ 69,867	\$ 85,517
Government funding	55,857	78,364
HST receivable	25,291	41,243
Arena trade	15,396	5,704
Town trade	1,746	1,746
	168,157	212,574
Allowance for doubtful accounts	(7,822)	-
	\$ 160,335	\$ 212,574

**4. DEFERRED REVENUE**

	<b>2022</b>	<b>2021</b>
Canada Community Building Fund	\$ 789,065	\$ 509,700
Safe restart	45,000	45,000
Sewer dues	8,880	8,512
Fire dues	4,868	-
Donation	1,500	-
Arena safe restart	-	30,000
	\$ 849,313	\$ 593,212

Under the Canada Community Building Fund, the Town is allocated \$100,000 per year for fiscal years ending March 31, 2019 to 2024. 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 period.

During the period, the Town received Canada Community Building Funding, of \$292,500, earned interest of \$611, and incurred eligible expenditures of \$13,746.

**5. LONG TERM DEBT**

	<b>2022</b>	<b>2021</b>
<u>Town</u>		
Consolidated Credit Union Ltd. - prime plus 0.5%, repayable in monthly principal installments of \$1,667 plus interest. The loan is due for renewal on February 16, 2024, matures on February 16, 2029 and is secured by general security agreement giving first charge on Metaflab pumper fire truck with a carrying value of \$127,173.	\$ 123,853	\$ 143,857
Consolidated Credit Union Ltd. - prime plus .5%, repayable in monthly principal installments of \$278 plus interest. The loan matures is due for renewal on March 19, 2023, matures on March 19, 2043 and is secured by general security agreement giving first charge on fixed and floating assets.	69,976	73,312

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**TOWN OF BORDEN-CARLETON**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

**5. LONG TERM DEBT (continued)**

	2022	2021
Consolidated Credit Union Ltd. - 4.14%, repayable in monthly blended installments of \$580. The loan matured on September 2, 2021.	-	3,028
	<b>193,829</b>	220,197
 <u>Water and Sewerage</u>		
Consolidated Credit Union Ltd. - prime plus 0.5%, repayable in monthly principal installments of \$2,627 plus interest. The loan is due for renewal on December 31, 2024, matures on January 14, 2037 and is secured by general security agreement.	467,576	499,100
Consolidated Credit Union Ltd. - prime plus 0.5%, repayable in monthly principal installments of \$1,493 plus interest. The loan is due for renewal on November 30, 2023, matures on November 30, 2038 and is secured by general security agreement.	317,991	335,906
Consolidated Credit Union Ltd. - prime plus 0.5%, repayable in monthly principal installments of \$278 plus interest. The loan is due for renewal on March 19, 2023, matures on March 19, 2043 and is general security agreement giving first charge on fixed and floating assets.	69,976	73,312
	<b>855,543</b>	908,318
	<b>\$ 1,049,372</b>	<b>\$ 1,128,515</b>

Principal repayments of long term debt are expected to be repaid over the next three years as follows:

2023	\$ 209,395
2024	435,449
2025	404,528

**6. LEASE COMMITMENTS**

The Town has entered into a lease agreement for the lease of a office equipment, office space and leased property. The minimum lease payments due over the next five years are as follows:

2023	\$ 2,166
2024	1
2025	1
2026	1
2027	1

**TOWN OF BORDEN-CARLETON**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

**7. GOVERNMENT TRANSFERS**

	2022	2021
<u>Government Transfers for Capital</u>		
<u>Town</u>		
Province of Prince Edward Island - Fire equipment	\$ 24,530	\$ 18,550
Municipal Capital Expenditure Grant	9,304	3,924
	<b>33,834</b>	22,474
<u>Water and Sewerage</u>		
Municipal Capital Expenditure Grant	2,949	1,889
Canada Community Building Fund	8,846	-
	<b>11,795</b>	1,889
<u>Gateway Arena</u>		
Canada Community Building Fund	4,900	26,860
Municipal Capital Expenditure Grant	949	2,687
	<b>5,849</b>	29,547
	<b>51,478</b>	53,910
 <u>Government Transfers for Operations</u>		
<u>Town</u>		
Province of PEI - Wage grants	44,011	29,299
Province of PEI - Municipal Support grant	20,399	25,269
Province of PEI - Recreation grant	5,000	5,000
	<b>69,410</b>	59,568
<u>Gateway Arena</u>		
Province of PEI - COVID operational support	35,000	-
Province of PEI - Grant in lieu of property tax	4,719	-
Province of PEI - Recreation grant	8,500	8,500
Province of PEI - Wage grants	-	6,920
	<b>48,219</b>	15,420
	<b>117,629</b>	74,988
	<b>\$ 169,107</b>	\$ 128,898

**8. ACCUMULATED SURPLUS**

	2022	2021
Unrestricted surplus	\$ 168,673	\$ 194,135
Investment in tangible capital assets (Note 9)	7,158,350	7,090,405
	<b>\$ 7,327,023</b>	\$ 7,284,540

**TOWN OF BORDEN-CARLETON**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

**9. INVESTMENT IN TANGIBLE CAPITAL ASSETS**

	<b>2022</b>	<b>2021</b>
Tangible capital assets (Schedule 1 and 2)	<b>\$ 12,088,030</b>	\$ 11,880,642
Accumulated Amortization (Schedule 1 and 2)	<b>(3,880,308)</b>	(3,661,722)
Long-term debt (Note 5)	<b>(1,049,372)</b>	(1,128,515)
	<b>\$ 7,158,350</b>	\$ 7,090,405

**10. BUDGET FIGURES**

A reconciliation of the 2022 fiscal operating budget prepared by Council to the budget figures disclosed in the consolidated financial statements is as follows:

Town of Borden-Carleton budgeted annual deficit	<b>\$ (59,621)</b>
Sewer Utility budgeted annual deficit	<b>(48,650)</b>
Water Utility budgeted annual deficit	<b>(74,300)</b>
Add: Transfers for capital - Town	<b>376,900</b>
Add: Transfers for capital - Sewer	<b>20,250</b>
Add: Transfers for capital - Water	<b>395,250</b>
Add: Transfers for capital - Arena	<b>9,000</b>
Add: Debt repayment - Water	<b>18,000</b>
Add: Debt repayment - Sewer	<b>35,000</b>
Add: Debt repayment - Fire truck	<b>20,000</b>
Add: Debt repayment - Storage shed	<b>3,010</b>
Add: Debt repayment - Public works	<b>3,335</b>
Add: Debt repayment - Water utility (abby)	<b>7,500</b>
	<b>\$ 705,674</b>

The budget figures provided on Statements 2 and 3 and Schedules 3 to 7 have not been audited or reviewed by the external auditor.

**11. RATE REGULATION**

The Town is subject to rate regulation on the water and sewerage utilities provided to residents in Prince Edward Island under the Island Regulatory and Appeals Commission Act. The purpose of this Act, which is administered by the Island Regulatory and Appeals Commission (IRAC), is to regulate the rate municipalities may charge for water and sewerage utilities provided to residents within Prince Edward Island and to ensure at all times a just and reasonable price for water and sewerage services. Changes in water and sewerage rates can only be implemented with approval from IRAC.

**12. LINE OF CREDIT AVAILABILITY**

The Water and Sewerage has an approved overdraft limit of \$110,000 with the Consolidated Credit Union Ltd. with a rate of prime plus 1%. The overdraft on this account was not utilized at year end and the terms of this account are renewable June 30, 2023.

The Town has an approved overdraft limit of \$160,000 with Consolidated Credit Union Ltd with a rate of prime plus 1%. The overdraft on this account was not utilized at year end and the terms of this account are renewable June 30, 2023.

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**TOWN OF BORDEN-CARLETON**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**12. LINE OF CREDIT AVAILABILITY *(continued)***

The Gateway Arena has an approved overdraft limit of \$20,000 with Consolidated Credit Union Ltd with a rate of prime plus 2%. The overdraft on this account was not utilized at year end and the terms of this account are renewable June 30, 2023.

**13. FINANCIAL INSTRUMENTS**

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

The Town 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 Town's risk exposure and concentration as of March 31, 2022.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Town has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of government funding and customer payments, long term debt and accounts payable and accrued liabilities.

(c) 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 Town manages exposure through its normal operating and financing activities. The Town is exposed to interest rate risk primarily through its credit facilities.

**TOWN OF BORDEN-CARLETON**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**14. SEGMENT DISCLOSURES**

The Town is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes, the Town's operations and activities are organized and reported by segment.

The major segments are as follows:

Town

This segment is responsible for the overall financial and local government administration. Its tasks include, but are not limited to, daily accounting functions, preparation and coordination of annual consolidated audited financial statements, development of the annual budget, human resource functions for the entire Town, maintenance of bylaws and policies, oversight of public works and recreation programs, maintenance of Town facilities, and administration of Town services.

Water and Sewerage Utility

This segment is responsible for the maintenance and operations of water and sewer services provided to residents and other customers.

Gateway Arena

This segment is responsible for promoting and offering recreation opportunities and activities for its residents. Its tasks include the operation and maintenance of the Town arena.

**15. SUBSEQUENT EVENTS**

The recent outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Town or its clients, employees, contractors, suppliers and other partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the Town's business, the continued spread of COVID-19 and the measures taken by the federal, provincial and municipal governments to contain its impact could adversely impact the Town's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the Town's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

**TOWN OF BORDEN-CARLETON**  
**Schedules to Consolidated Financial Statements**  
**Tangible Capital Assets**  
**Year Ended March 31, 2022**

(Schedule 1)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
<b>Town and Arena</b>									
Land	\$ 421,750	\$ 2,530	\$ -	\$ 424,280	\$ -	\$ -	\$ -	\$ -	\$ 424,280
Park	150,274	-	-	150,274	6,011	6,011	-	12,022	138,252
Buildings	1,129,141	3,532	-	1,132,673	703,208	14,526	-	717,734	414,939
Fire vehicles	546,688	-	-	546,688	392,793	22,312	-	415,105	131,583
Equipment	547,694	72,619	-	620,313	324,435	40,112	-	364,547	255,766
Electronic equipment	36,936	-	-	36,936	34,495	1,220	-	35,715	1,221
Streets and sidewalks	474,389	61,410	-	535,799	207,751	13,684	-	221,435	314,364
Vehicles	15,735	34,852	-	50,587	15,735	6,970	-	22,705	27,882
	<b>\$ 3,322,607</b>	<b>\$ 174,943</b>	<b>\$ -</b>	<b>\$ 3,497,550</b>	<b>\$ 1,684,428</b>	<b>\$ 104,835</b>	<b>\$ -</b>	<b>\$ 1,789,263</b>	<b>\$ 1,708,287</b>
<b>Water and Sewerage</b>									
Land	\$ 35,435	\$ -	\$ -	\$ 35,435	\$ -	\$ -	\$ -	\$ -	\$ 35,435
Building	3,000	-	-	3,000	488	150	-	638	2,362
Sewer system	4,985,670	12,670	-	4,998,340	862,185	59,980	-	922,165	4,076,175
Sewer equipment	82,988	-	-	82,988	65,127	940	-	66,067	16,921
Water system	2,381,955	-	-	2,381,955	632,381	28,584	-	660,965	1,720,990
Water equipment	311,223	12,383	-	323,606	258,574	14,915	-	273,489	50,117
Water reservoir	757,764	7,392	-	765,156	158,539	9,182	-	167,721	597,435
	<b>\$ 8,558,035</b>	<b>\$ 32,445</b>	<b>\$ -</b>	<b>\$ 8,590,480</b>	<b>\$ 1,977,294</b>	<b>\$ 113,751</b>	<b>\$ -</b>	<b>\$ 2,091,045</b>	<b>\$ 6,499,435</b>
<b>Total</b>	<b>\$ 11,880,642</b>	<b>\$ 207,388</b>	<b>\$ -</b>	<b>\$ 12,088,030</b>	<b>\$ 3,661,722</b>	<b>\$ 218,586</b>	<b>\$ -</b>	<b>\$ 3,880,308</b>	<b>\$ 8,207,722</b>

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Schedules to Consolidated Financial Statements**  
**Tangible Capital Assets**  
**Year Ended March 31, 2021**

(Schedule 2)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
<b>Town and Arena</b>									
Land	\$ 421,750	\$ -	\$ -	\$ 421,750	\$ -	\$ -	\$ -	\$ -	\$ 421,750
Park	150,274	-	-	150,274	-	6,011	-	6,011	144,263
Buildings	1,129,141	-	-	1,129,141	688,770	14,438	-	703,208	425,933
Fire vehicles	546,688	-	-	546,688	370,480	22,313	-	392,793	153,895
Equipment	477,667	70,027	-	547,694	289,894	34,541	-	324,435	223,259
Electronic equipment	36,936	-	-	36,936	33,274	1,221	-	34,495	2,441
Streets and sidewalks	474,389	-	-	474,389	188,775	18,976	-	207,751	266,638
Vehicles	15,735	-	-	15,735	13,936	1,799	-	15,735	-
	<b>\$ 3,252,580</b>	<b>\$ 70,027</b>	<b>\$ -</b>	<b>\$ 3,322,607</b>	<b>\$ 1,585,129</b>	<b>\$ 99,299</b>	<b>\$ -</b>	<b>\$ 1,684,428</b>	<b>\$ 1,638,179</b>
<b>Water and Sewerage</b>									
Land	\$ 35,435	\$ -	\$ -	\$ 35,435	\$ -	\$ -	\$ -	\$ -	\$ 35,435
Building	3,000	-	-	3,000	338	150	-	488	2,512
Sewer system	4,985,670	-	-	4,985,670	802,186	59,999	-	862,185	4,123,485
Sewer equipment	64,187	18,801	-	82,988	64,187	940	-	65,127	17,861
Water system	2,379,975	1,980	-	2,381,955	603,798	28,583	-	632,381	1,749,574
Water equipment	311,223	-	-	311,223	244,024	14,550	-	258,574	52,649
Water reservoir	757,764	-	-	757,764	149,446	9,093	-	158,539	599,225
	<b>\$ 8,537,254</b>	<b>\$ 20,781</b>	<b>\$ -</b>	<b>\$ 8,558,035</b>	<b>\$ 1,863,979</b>	<b>\$ 113,315</b>	<b>\$ -</b>	<b>\$ 1,977,294</b>	<b>\$ 6,580,741</b>
<b>Total</b>	<b>\$ 11,789,834</b>	<b>\$ 90,808</b>	<b>\$ -</b>	<b>\$ 11,880,642</b>	<b>\$ 3,449,108</b>	<b>\$ 212,614</b>	<b>\$ -</b>	<b>\$ 3,661,722</b>	<b>\$ 8,218,920</b>

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Statement of Operations - Town**  
**Year Ended March 31, 2022**

**(Schedule 3)**

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Property taxes	\$ 588,166	\$ 600,178	\$ 578,788
Fire dues	56,600	58,532	56,600
Grants - job creation	67,000	44,011	29,299
Grants - municipal support	33,294	20,399	25,269
Miscellaneous	500	5,085	1,035
Grants - recreation	5,000	5,000	5,000
Licenses and permits	3,000	4,511	3,511
Fines and fees	4,500	2,859	6,850
Donations	1,000	-	825
	<u>759,060</u>	<u>740,575</u>	<u>707,177</u>
<b>Expenditures</b>			
Fire Protection (Schedule 4)	128,083	133,430	126,873
General Government (Schedule 4)	199,300	146,775	131,899
Police Protection	145,753	98,287	141,508
Properties and Planning (Schedule 4)	27,475	28,836	30,071
Public Works (Schedule 4)	123,725	95,750	110,407
Recreation (Schedule 4)	96,100	127,467	92,207
	<u>720,436</u>	<u>630,545</u>	<u>632,965</u>
<b>Operating surplus</b>	<u>38,624</u>	<u>110,030</u>	<u>74,212</u>
<b>Other</b>			
Government transfers for capital (Note 7)	376,900	33,834	22,474
<b>Annual surplus</b>	<u>\$ 415,524</u>	<u>\$ 143,864</u>	<u>\$ 96,686</u>

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Statement of Expenditures - Town**  
**Year Ended March 31, 2022**

**(Schedule 4)**

	Budget 2022	Actual 2022	Actual 2021
<b>Expenditures</b>			
<b>Fire Protection</b>			
Amortization of tangible capital assets	\$ 35,000	\$ 39,376	\$ 35,576
Convention and training	4,500	3,997	5,309
Gas, oil and repairs	8,900	7,565	7,372
Honorariums	6,400	5,025	5,950
Insurance	7,763	7,936	6,946
Interest on long term debt	4,000	3,988	4,618
Miscellaneous	500	72	257
Share of civic building costs	13,500	17,635	14,798
Supplies	3,000	2,333	471
Telecommunications	6,520	7,503	7,576
Water charge	38,000	38,000	38,000
	<b>128,083</b>	<b>133,430</b>	<b>126,873</b>
<b>General Government</b>			
Advertising	4,000	2,873	840
Amortization of tangible capital assets	17,000	21,146	15,885
Community special events	1,500	132	50
Conference and travel	1,000	25	330
Copier lease	7,200	1,352	1,694
Council honoraria	17,300	16,821	14,850
COVID Projects	45,000	-	-
Interest and bank charges	2,000	1,044	2,465
Interest on long term debt	1,600	-	-
Liability insurance	3,500	3,126	752
Memberships	2,000	1,797	1,778
Miscellaneous	500	2,514	130
Office	8,500	11,718	11,089
Professional fees	34,000	8,833	27,437
Property tax rebates	5,000	5,717	3,336
Rent	11,500	11,501	10,956
Repairs and maintenance	3,700	3,775	3,748
Salaries and benefits	139,800	145,445	124,587
Telephone	4,200	4,906	3,696
Portion allocated to water and sewerage	(110,000)	(95,950)	(91,724)
	<b>199,300</b>	<b>146,775</b>	<b>131,899</b>
<b>Properties and Planning</b>			
Civic building	19,710	25,065	26,688
Development officer	-	6,163	6,007
Library and campsite	2,800	1,741	1,347
Maintenance building	7,225	5,882	7,389
Marine rail park	8,540	6,900	2,490
Other properties	2,700	720	948
Portion of civic building allocated to fire protection	(13,500)	(17,635)	(14,798)
	<b>27,475</b>	<b>28,836</b>	<b>30,071</b>

*(continues)*

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Statement of Expenditures - Town (continued)**  
**Year Ended March 31, 2022**

**(Schedule 4)**

	Budget 2022	Actual 2022	Actual 2021
<b>Public Works</b>			
Amortization of tangible capital assets	18,000	13,685	24,987
Electricity	22,000	20,846	18,861
Interest on long term debt	2,125	2,166	3,612
Repairs and maintenance	16,600	7,005	17,547
Snow removal	55,000	47,824	42,743
Tractor, gas and repairs	2,500	4,224	2,657
Wages	7,500	-	-
	123,725	95,750	110,407
<b>Recreation</b>			
Amortization of tangible capital assets	16,000	21,953	14,962
Ballfield	8,000	3,067	1,052
Interest on long term debt	-	44	-
Miscellaneous	500	-	428
Salaries and benefits	70,000	98,607	74,569
Special events	-	294	-
Supplies and equipment	1,000	1,578	480
Travel	600	1,924	716
	\$ 96,100	\$ 127,467	\$ 92,207

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Statement of Operations - Sewerage**  
**Year Ended March 31, 2022**

(Schedule 5)

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Residential	\$ 95,000	\$ 96,165	\$ 95,450
Commercial	71,500	54,958	66,489
Dumping fees	750	-	889
Interest	3,000	-	-
	<u>170,250</u>	<u>151,123</u>	<u>162,828</u>
<b>Expenditures</b>			
Operating			
Certified operator contractor	20,700	22,028	19,800
Electricity	9,000	13,095	9,017
Repairs and maintenance	15,000	3,081	12,972
	<u>44,700</u>	<u>38,204</u>	<u>41,789</u>
General			
Bad debt	-	6,554	-
Insurance	2,100	2,075	1,065
Interest and bank charges	200	439	347
Memberships and dues	2,000	1,861	1,734
Professional fees	3,500	1,600	1,600
Property taxes	-	756	492
	<u>7,800</u>	<u>13,285</u>	<u>5,238</u>
Other			
Amortization of tangible capital assets	60,000	60,995	61,241
Interest on long term debt	16,400	22,115	22,593
	<u>76,400</u>	<u>83,110</u>	<u>83,834</u>
Allocation from general government	<u>55,000</u>	<u>48,782</u>	<u>45,862</u>
	<u>183,900</u>	<u>183,381</u>	<u>176,723</u>
<b>Operating surplus (deficit)</b>	<u>(13,650)</u>	<u>(32,258)</u>	<u>(13,895)</u>
<b>Other</b>			
Government transfers for capital (Note 7)	<u>20,250</u>	<u>-</u>	<u>-</u>
<b>Annual surplus (deficit)</b>	<u>\$ 6,600</u>	<u>\$ (32,258)</u>	<u>\$ (13,895)</u>

Notes 1 - 15 are an integral part of these consolidated financial statements



**TOWN OF BORDEN-CARLETON**  
**Statement of Operations - Water**  
**Year Ended March 31, 2022**

**(Schedule 6)**

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Residential	\$ 57,000	\$ 56,262	\$ 57,042
Commercial	35,000	34,514	41,816
Public fire protection service	38,000	38,000	38,000
Interest	3,300	7,280	6,257
Inspection/connection fees	-	20	60
	<u>133,300</u>	<u>136,076</u>	<u>143,175</u>
<b>Expenditures</b>			
Operating			
Certified operator contractor	20,700	22,028	19,800
Electricity	12,000	14,931	12,116
Repairs and maintenance	13,000	7,557	12,252
Water testing	7,500	5,028	11,704
	<u>53,200</u>	<u>49,544</u>	<u>55,872</u>
General			
Bad debt	-	4,369	-
Insurance	1,700	1,637	410
Interest and bank charges	200	88	2
Memberships and dues	2,000	1,861	1,734
Professional fees	2,500	1,600	1,600
Property taxes	-	288	203
	<u>6,400</u>	<u>9,843</u>	<u>3,949</u>
Other			
Amortization of tangible capital assets	65,000	52,755	52,301
Interest on long term debt	10,000	4,063	5,104
	<u>75,000</u>	<u>56,818</u>	<u>57,405</u>
Allocation from general government	<u>55,000</u>	<u>47,169</u>	<u>45,862</u>
	<u>189,600</u>	<u>163,374</u>	<u>163,088</u>
<b>Operating surplus (deficit)</b>	<u>(56,300)</u>	<u>(27,298)</u>	<u>(19,913)</u>
<b>Other</b>			
Government transfers for capital (Note 7)	<u>395,250</u>	<u>11,795</u>	<u>1,889</u>
<b>Annual surplus (deficit)</b>	<u>\$ 338,950</u>	<u>\$ (15,503)</u>	<u>\$ (18,024)</u>

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Statement of Operations - Gateway Arena**  
**Year Ended March 31, 2022**

(Schedule 7)

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Ice rentals	\$ 61,500	\$ 49,500	\$ 53,117
Grants - Province of PEI	-	39,719	3,466
Canteen sales	32,000	32,477	7,854
Grants - recreation	8,500	8,500	8,500
Sign rentals	2,000	3,775	-
Gym membership fees	500	947	-
Donations	-	300	-
Miscellaneous	100	-	34
Grants - salaries	14,000	-	6,920
	<u>118,600</u>	<u>135,218</u>	<u>79,891</u>
<b>Expenditures</b>			
Amortization of tangible capital assets	5,600	8,678	7,820
Bad debts	-	1,391	-
Canteen purchases	22,000	22,697	5,117
Electricity	40,000	32,035	32,776
Fuel	9,000	14,186	7,736
Garbage	3,500	2,286	1,707
Insurance	5,500	8,571	5,462
Miscellaneous	3,000	2,121	1,725
Professional fees	-	2,600	2,904
Property taxes and utilities	1,800	3,836	5,030
Repairs and maintenance	15,000	20,722	15,310
Salaries and benefits	72,000	70,636	45,929
Snow removal	4,000	3,432	3,364
Telephone	1,600	1,496	1,073
	<u>183,000</u>	<u>194,687</u>	<u>135,953</u>
<b>Operating surplus (deficit)</b>	<u>(64,400)</u>	<u>(59,469)</u>	<u>(56,062)</u>
<b>Other</b>			
Government transfers for capital (Note 7)	9,000	5,849	29,547
<b>Annual surplus (deficit)</b>	<u>\$ (55,400)</u>	<u>\$ (53,620)</u>	<u>\$ (26,515)</u>

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Schedules to Consolidated Financial Statements**  
**Segment Disclosures**  
**Year Ended March 31, 2022**

(Schedule 8)

	General Government	Sewer Utility	Water Utility	Gateway Arena	Elimination	Consolidated 2022
<b>Revenues</b>						
Property taxes	\$ 600,178	\$ -	\$ -	\$ -	\$ -	\$ 600,178
Fire dues	58,532	-	38,000	-	(38,000)	58,532
Government transfers for operations	69,410	-	-	48,219	-	117,629
Fines and fees	2,859	-	-	-	-	2,859
Building permits and fees	4,511	-	-	-	-	4,511
Residential levies	-	96,165	56,262	-	-	152,427
Commercial levies	-	54,958	34,514	-	(2,755)	86,717
Ice rentals	-	-	-	49,500	-	49,500
Canteen sales	-	-	-	32,477	-	32,477
Interest	-	-	7,280	-	-	7,280
Miscellaneous	5,085	-	20	5,022	-	10,127
	<b>740,575</b>	<b>151,123</b>	<b>136,076</b>	<b>135,218</b>	<b>(40,755)</b>	<b>1,122,237</b>
<b>Expenditures</b>						
Salaries and benefits	244,052	22,028	22,028	70,636	-	358,744
Goods and services	283,135	77,804	84,440	115,373	(40,755)	519,997
Amortization of tangible capital assets	96,160	60,995	52,755	8,678	-	218,588
Interest	7,198	22,554	4,151	-	-	33,903
	<b>630,545</b>	<b>183,381</b>	<b>163,374</b>	<b>194,687</b>	<b>(40,755)</b>	<b>1,131,232</b>
<b>Operating surplus (deficit)</b>	<b>110,030</b>	<b>(32,258)</b>	<b>(27,298)</b>	<b>(59,469)</b>	<b>-</b>	<b>(8,995)</b>
Government transfers for capital	33,834	-	11,795	5,849	-	51,478
<b>Annual surplus (deficit)</b>	<b>\$ 143,864</b>	<b>\$ (32,258)</b>	<b>\$ (15,503)</b>	<b>\$ (53,620)</b>	<b>\$ -</b>	<b>\$ 42,483</b>

Notes 1 - 15 are an integral part of these consolidated financial statements

**TOWN OF BORDEN-CARLETON**  
**Schedules to Consolidated Financial Statements**  
**Segment Disclosures**  
**Year Ended March 31, 2021**

**(Schedule 9)**

	General Government	Sewer Utility	Water Utility	Gateway Arena	Elimination	Consolidated 2022
<b>Revenues</b>						
Property taxes	\$ 578,788	\$ -	\$ -	\$ -	\$ -	\$ 578,788
Fire dues	56,600	-	38,000	-	(38,000)	56,600
Government transfers for operations	59,568	-	-	18,886	-	78,454
Fines and fees	6,850	-	-	-	-	6,850
Building permits and fees	3,511	-	-	-	-	3,511
Residential levies	-	95,450	57,042	-	-	152,492
Commercial levies	-	66,489	41,816	-	(3,701)	104,604
Ice rentals	-	-	-	53,117	-	53,117
Canteen sales	-	-	-	7,854	-	7,854
Interest	-	-	6,257	-	-	6,257
Miscellaneous	1,860	889	60	34	-	2,843
	<u>707,177</u>	<u>162,828</u>	<u>143,175</u>	<u>79,891</u>	<u>(41,701)</u>	<u>1,051,370</u>
<b>Expenditures</b>						
Salaries and benefits	199,156	19,800	19,800	45,929	-	284,685
Goods and services	331,704	72,742	85,881	82,204	(41,701)	530,830
Amortization of tangible capital assets	91,410	61,241	52,301	7,820	-	212,772
Interest	10,695	22,940	5,106	-	-	38,741
	<u>632,965</u>	<u>176,723</u>	<u>163,088</u>	<u>135,953</u>	<u>(41,701)</u>	<u>1,067,028</u>
<b>Operating surplus (deficit)</b>	74,212	(13,895)	(19,913)	(56,062)	-	(15,658)
Government transfers for capital	22,474	-	1,889	29,547	-	53,910
<b>Annual surplus (deficit)</b>	<u>\$ 96,686</u>	<u>\$ (13,895)</u>	<u>\$ (18,024)</u>	<u>\$ (26,515)</u>	<u>\$ -</u>	<u>\$ 38,252</u>

Notes 1 - 15 are an integral part of these consolidated financial statements