

**TOWN OF SMALL POINT - BROAD
COVE - BLACK HEAD - ADAM'S COVE**

Consolidated Financial Statements

For the Year Ended December 31, 2023

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Small Point - Broad Cove - Black Head - Adam's Cove 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 Association of 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.

The Council of the 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.

Beacon Accounting Professional Corporation, as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Mayor and members of Council and appears on the following page. The 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.



Mr. Curtis Delaney
Mayor

Nov. 22, 2024

Date



Ms. Beverley Reynolds
Town Clerk

Nov. 22/24

Date

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Financial Statements
For the Year Ended December 31, 2023

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TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Statement of Financial Position
As at December 31, 2023

	<u>2023</u>	<u>2022</u>
FINANCIAL ASSETS		
Cash (Note 3)	\$ 57,414	\$ 74,622
Amounts receivable (Note 4)	<u>136,979</u>	<u>140,980</u>
Total Financial Assets	<u>\$ 194,393</u>	<u>\$ 215,602</u>
LIABILITIES		
Bank operating loan	\$ 133,942	\$ 146,474
Accounts payable and accrued liabilities (Note 5)	79,009	77,428
Deferred revenue (Note 6)	33,368	54,660
Long-term debt (Note 7)	<u>118,776</u>	<u>172,354</u>
Total Liabilities	<u>\$ 365,095</u>	<u>\$ 450,916</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (170,702)</u>	<u>\$ (235,314)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	<u>\$ 1,464,245</u>	<u>\$ 1,545,361</u>
ACCUMULATED SURPLUS (DEFICIT)	<u><u>\$ 1,293,543</u></u>	<u><u>\$ 1,310,047</u></u>

Approved on behalf of Council:



 Mayor



 Town Clerk

The accompanying notes are an integral part of this financial statement

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Statement of Operations
Year Ended December 31, 2023

	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
REVENUE			
Taxation	\$ 364,819	363,795	\$ 313,281
Sales of goods and services	152,498	116,395	129,687
Grants and transfers	90,852	175,963	173,782
Other revenue	<u>6,500</u>	<u>-</u>	<u>-</u>
Total revenue (Schedule 2, 4 and 5)	<u>\$ 614,669</u>	<u>656,153</u>	<u>\$ 616,750</u>
EXPENSES			
General government services	\$ 220,591	179,521	\$ 197,677
Protective services	47,645	47,645	53,095
Transportation services	67,690	209,978	191,208
Environmental health services	147,659	168,876	188,147
Regional planning and development	8,500	-	-
Recreation and cultural services	32,048	32,048	22,263
Fiscal services	<u>39,833</u>	<u>34,589</u>	<u>39,455</u>
Total expenses (Schedule 3, 4 and 5)	<u>\$ 563,966</u>	<u>672,657</u>	<u>\$ 691,845</u>
ANNUAL SURPLUS (DEFICIT)	\$ 50,703	(16,504)	\$ (75,095)
ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR	<u>1,310,047</u>	<u>1,310,047</u>	<u>1,385,142</u>
ACCUMULATED SURPLUS (DEFICIT), END OF YEAR	<u><u>\$ 1,360,750</u></u>	<u><u>1,293,543</u></u>	<u><u>\$ 1,310,047</u></u>

The accompanying notes are an integral part of this financial statement

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Statement of Change in Net Financial Assets (Net Debt)
Year Ended December 31, 2023

	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2022 Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ 50,703	\$ (16,504)	\$ (75,095)
Acquisition of tangible capital assets	\$ -	\$ (20,580)	\$ (10,629)
Amortization of tangible capital assets	101,696	101,696	104,618
	<u>\$ 101,696</u>	<u>\$ 81,116</u>	<u>\$ 93,989</u>
CHANGE IN NET FINANCIAL ASSETS	\$ 152,399	\$ 64,612	\$ 18,894
NET FINANCIAL ASSETS (NET DEBT), BEGINNING OF YEAR	<u>(235,314)</u>	<u>(235,314)</u>	<u>(254,208)</u>
NET FINANCIAL ASSETS (NET DEBT), END OF YEAR	<u>\$ (82,915)</u>	<u>\$ (170,702)</u>	<u>\$ (235,314)</u>

The accompanying notes are an integral part of this financial statement

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Statement of Cash Flows
Year Ended December 31, 2023

	2023	2022
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ (16,504)	\$ (75,095)
Changes in non-cash items:		
Amounts receivable	4,001	11,071
Investment in GIC	-	-
Bank operating loan	(12,532)	101,474
Accounts payable and accrued liabilities	1,581	(80,205)
Deferred revenue	(21,292)	(17,230)
Loss (Gain) on sale of tangible capital asset	-	-
Amortization	101,696	104,618
Cash provided by operating transactions	<u>\$ 56,950</u>	<u>\$ 44,633</u>
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	<u>(20,580)</u>	<u>(10,629)</u>
Cash applied to capital transactions	<u>\$ (20,580)</u>	<u>\$ (10,629)</u>
FINANCING TRANSACTIONS		
Debt repayment	<u>(53,578)</u>	<u>(57,813)</u>
Cash applied to financing transactions	<u>\$ (53,578)</u>	<u>\$ (57,813)</u>
Increase (decrease) in cash & temporary investments	\$ (17,208)	\$ (23,809)
Cash and temporary investments, beginning of the year	<u>74,622</u>	<u>98,431</u>
Cash and temporary investments, end of the year	<u>\$ 57,414</u>	<u>\$ 74,622</u>

The accompanying notes are an integral part of this financial statement

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Notes to the Consolidated Financial Statements
As at December 31, 2023

1. Status of the Town of Small Point - Broad Cove - Black Head - Adam's Cove

The incorporated Town of Small Point - Broad Cove - Black Head - Adam's Cove is a municipal government that was incorporated in November 1968 pursuant to the Province of Newfoundland and Labrador's Municipalities Act, 1999. The Municipality provides or funds municipal services such as fire, public works, parks and recreation, library, tourism and other general government operations.

2. Significant Accounting Policies

These consolidated financial statements have been prepared in accordance with Public Sector Accounting Standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

a) Basis of Consolidation

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, agencies, local boards, and committees of the Council which are controlled by the Municipality. The controlled organizations include:

Fire Department
Recreation Committee

b) Basis of Accounting

The consolidated financial statements are prepared in accordance with Canadian public sector accounting standards (PSAS).

c) Cash and Temporary Investments

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition.

d) Investments

Temporary investments are accounted for at the lower of cost and market.

e) Government Transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Notes to the Consolidated Financial Statements
As at December 31, 2023

f) 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 and one-half of the annual amortization is charged in the year of acquisition and in the year of disposal. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

General Tangible Capital Assets

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

Infrastructure Assets

Transportation	
Road surface	20 - 30 years
Water and Sewer	
Underground networks	25 - 60 years

g) Revenue Recognition

Tax revenues 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 reported net of an allowance for anticipated uncollectable amounts.

Sales of services and other revenues are recognized in the period in which events giving rise to the revenue occur and the consideration can be practicably measured.

h) 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 reported amounts of assets and liabilities at the date the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. Management has made significant estimates regarding the useful lives of tangible capital assets, determination of its allowance for doubtful accounts, and deferred revenue.

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Notes to the Consolidated Financial Statements
As at December 31, 2023

3. Cash

Cash and temporary investments are comprised of the following:

	<u>2023</u>	<u>2022</u>
Cash and bank balances - Town	\$ 40,072	\$ 35,318
Cash and bank balances - Recreation	7,951	9,925
Cash and bank balances - Fire Department & Ladies Auxiliary	9,391	29,379
	<u>\$ 57,414</u>	<u>\$ 74,622</u>

4. Amounts Receivable

	<u>2023</u>	<u>2022</u>
Taxes receivable	\$ 80,200	\$ 102,763
Fire protection fees receivable	72,100	72,170
Government grants receivable	-	-
Other receivables	3,938	11,208
HST rebate	15,703	20,991
	<u>\$ 171,941</u>	<u>\$ 207,132</u>
Less: Allowances for doubtful amounts - Taxes receivable	(6,124)	(30,567)
Less: Allowances for doubtful amounts - Fire protection fees	<u>(28,838)</u>	<u>(35,585)</u>
	<u>\$ 136,979</u>	<u>\$ 140,980</u>

5. Accounts Payable and Accrued Liabilities

	<u>2023</u>	<u>2022</u>
Accounts payable	\$ 72,009	\$ 70,428
Accrued expenses	7,000	7,000
	<u>\$ 79,009</u>	<u>\$ 77,428</u>

6. Deferred Revenue

	<u>2023</u>	<u>2022</u>
Deferred gas tax revenue	\$ 33,368	\$ 54,660

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Notes to the Consolidated Financial Statements
As at December 31, 2023

7. Long Term Debt

	<u>2023</u>	<u>2022</u>
Scotiabank loan with interest of prime plus 2%, repayable in principal monthly installments of \$458 plus interest, maturing in 2024. The loan is secured by a general security agreement.	1,794	7,290
Scotiabank loan with interest of prime plus 2.5%, repayable in principal semi-annual installments of \$12,071 plus interest, maturing in 2024. The loan is secured by a general security agreement.	5,241	29,383
Scotiabank loan with interest of prime plus 1.5%, repayable in principal monthly installments of \$1,995 plus interest, maturing in 2027. The loan is secured by a general security agreement.	<u>111,741</u>	<u>135,681</u>
	<u>\$ 118,776</u>	<u>\$ 172,354</u>

Principal payments required in the next years are as follows:

2024	\$ 30,975
2025	23,940
2026	23,940
2027	23,940
2028	15,981
Thereafter	<u>-</u>
Total	<u><u>118,776</u></u>

8. Financial Instruments

The Municipality, as part of its operations, carries a number of financial instruments. It is management's opinion the Municipality is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

9. Risk Management

As part of the town's overall risk management, its insurance policy includes crime coverage of \$50,000 per occurrence covering employee dishonesty and various other fraud-related risks.

The Municipality's insurance coverage and the manner in which the accounts have been kept and the safeguards against fraud are considered to be satisfactory.

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Notes to the Consolidated Financial Statements
As at December 31, 2023

10. Budget

In accordance with the *Municipalities Act, 1999* every council must adopt a financial plan for each fiscal period in a form approved of 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/City 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 6 - Reconciliation of the Financial Plan to the Budget.

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Schedule of Tangible Capital Assets
Year Ended December 31, 2023

SCHEDULE I

Cost	General Capital Assets						Totals		
	Land and Land Improvements	Buildings and Leadhold Improvements	Vehicles and Equipment	Fire-Vehicles & Equipment	Recreation	Roads, Streets, and Bridges	Water and Sewer	2023	2022
Opening costs	\$ 101	\$ 516,595	\$ 386,897	\$ 275,091	\$ 160,209	\$ 1,120,472	\$ 2,058,271	\$ 4,517,636	\$ 4,507,007
Additions during the year	-	-	12,919	-	7,661	-	-	20,580	10,629
Disposals and write downs	-	-	-	-	-	-	-	-	-
Closing costs	\$ 101	\$ 516,595	\$ 399,816	\$ 275,091	\$ 167,870	\$ 1,120,472	\$ 2,058,271	\$ 4,538,216	\$ 4,517,636
Accumulated Amortization									
Opening accum'd amortization	\$ -	\$ 266,961	\$ 313,066	\$ 275,090	\$ 73,822	\$ 912,905	\$ 1,130,431	\$ 2,972,275	\$ 2,867,657
Amortization	-	12,595	9,572	1	10,843	10,525	58,160	101,696	104,618
Disposals and write downs	-	-	-	-	-	-	-	-	-
Closing accum'd amortization	\$ -	\$ 279,556	\$ 322,638	\$ 275,091	\$ 84,665	\$ 923,430	\$ 1,188,591	\$ 3,073,971	\$ 2,972,275
Net Book Value of Tangible Capital Assets	\$ 101	\$ 237,039	\$ 77,178	\$ -	\$ 83,205	\$ 197,042	\$ 869,680	\$ 1,464,245	\$ 1,545,361

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Schedule of Revenues
Year Ended December 31, 2023

SCHEDULE 2

	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
Taxation		
Property tax	\$ 256,739	\$ 200,215
Poll tax	-	9,860
Business and utility tax	26,677	25,386
Water and sewer tax	77,990	76,315
Licenses, permits, and tax certificates	2,389	1,505
	<u>\$ 363,795</u>	<u>\$ 313,281</u>
Sales of goods and services		
Garbage collection fees	\$ 63,160	\$ 59,760
Fire protection service fees	34,058	54,343
Recreation and cultural services	13,840	3,184
Other sales of goods and services	5,337	12,400
	<u>\$ 116,395</u>	<u>\$ 129,687</u>
Grants and transfers		
Government of Newfoundland and Labrador		
Municipal Operating grant	\$ 56,674	\$ 49,856
Provincial Shared Gas Tax	15,768	15,768
Capital project grant	199	-
Gax tax revenue	30,765	24,142
Other provincial grants and/or subsidies	72,557	84,016
	<u>\$ 175,963</u>	<u>\$ 173,782</u>
Total Revenue	<u><u>\$ 656,153</u></u>	<u><u>\$ 616,750</u></u>

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Schedule of Expenses
Year Ended December 31, 2023

SCHEDULE 3

	<u>2023</u> <u>Actual</u>	<u>2022</u> <u>Actual</u>
General government services		
Administrative salaries and benefits	\$ 39,305	\$ 43,855
Insurance	21,986	20,680
Property Assessment	15,184	15,731
General administrative	26,132	25,442
Other general government services	72,823	88,284
Amortization	4,091	3,685
	<u>\$ 179,521</u>	<u>\$ 197,677</u>
Protective services		
Fire	\$ 38,734	\$ 39,464
Amortization	8,911	13,631
	<u>\$ 47,645</u>	<u>\$ 53,095</u>
Transportation services		
Road, street, sidewalk maintenance	\$ 68,907	\$ 58,427
Snow removal	27,492	28,843
Street lighting	9,713	9,902
Other transportation services	84,176	74,824
Amortization	19,690	19,212
	<u>\$ 209,978</u>	<u>\$ 191,208</u>
Environmental health services		
Water supply	\$ 70,065	\$ 79,373
Garbage and waste collection and disposal	40,652	50,615
Amortization	58,159	58,159
	<u>\$ 168,876</u>	<u>\$ 188,147</u>
Recreation and cultural services		
Recreation and community centres	\$ 21,203	\$ 12,332
Amortization	10,845	9,931
	<u>\$ 32,048</u>	<u>\$ 22,263</u>
Fiscal Services		
Long-term debt interest	\$ 12,833	\$ 12,009
Provision for uncollectible taxes, fees and charges	8,557	19,393
Bank charges	13,199	8,053
	<u>\$ 34,589</u>	<u>\$ 39,455</u>
Total Expenses	<u>\$ 672,657</u>	<u>\$ 691,845</u>

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Schedule of Operations by Program
Year Ended December 31, 2023

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services	
	2023	2022	2023	2022	2023	2022	2023	2022
REVENUE								
Taxation	\$ 285,805	\$ 236,966	\$ -	\$ -	\$ -	\$ -	\$ 77,990	\$ 76,315
Sales of goods and services	5,337	12,400	34,058	54,343	-	-	63,160	59,760
Grants and transfers	144,999	149,640	-	-	-	-	30,964	24,142
Other revenue	-	-	-	-	-	-	-	-
Total revenue	\$ 436,141	\$ 399,006	\$ 34,058	\$ 54,343	\$ -	\$ -	\$ 172,114	\$ 160,217
EXPENSES								
Personnel services	\$ 39,305	\$ 43,855	\$ -	\$ -	\$ 41,480	\$ 59,724	\$ -	\$ 32,159
Contract services	43,681	42,929	-	-	11,539	5,872	40,652	50,615
Utilities	5,750	4,164	2,289	4,342	9,713	9,902	17,928	15,910
Maintenance materials and supplies	15,473	10,400	-	-	127,556	96,498	52,137	31,304
Amortization	4,091	3,685	8,911	13,631	19,690	19,212	58,159	58,159
Interest on long term debt	-	-	-	-	-	-	-	-
Other	71,221	92,644	36,445	35,122	-	-	-	-
Total expenses	\$ 179,521	\$ 197,677	\$ 47,645	\$ 53,095	\$ 209,978	\$ 191,208	\$ 168,876	\$ 188,147
Surplus (Deficit)	\$ 256,620	\$ 201,329	\$ (13,587)	\$ 1,248	\$ (209,978)	\$ (191,208)	\$ 3,238	\$ (27,930)

* The general government category includes revenues and expenses that cannot be attributed to a particular sector.

SCHEDULE 4 Cont...

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
 Consolidated Schedule of Operations by Program
 Year Ended December 31, 2023

	Recreation and Cultural Services		Fiscal Services		Total	
	2023	2022	2023	2022	2023	2022
REVENUE						
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales of goods and services	13,840	3,184	-	-	363,795	313,281
Grants and transfers	-	-	-	-	116,395	129,687
Other revenue	-	-	-	-	175,963	173,782
Total revenue	\$ 13,840	\$ 3,184	\$ -	\$ -	\$ 656,153	\$ 616,750
EXPENSES						
Personnel services	-	-	-	-	80,785	135,738
Contract services	-	-	-	-	95,872	99,416
Utilities	4,972	4,152	-	-	40,652	38,470
Maintenance materials and supplies	16,231	8,180	-	-	211,397	146,382
Amortization	10,845	9,931	-	-	101,696	104,618
Interest on long term debt	-	-	12,833	12,009	12,833	12,009
Other	-	-	21,756	27,446	129,422	155,212
Total expenses	\$ 32,048	\$ 22,263	\$ 34,589	\$ 39,455	\$ 672,657	\$ 691,845
Surplus (Deficit)	\$ (18,208)	\$ (19,079)	\$ (34,589)	\$ (39,455)	\$ (16,504)	\$ (75,095)

SCHEDULE 5

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Consolidated Details and Reconciliation to Core Government Results
Year Ended December 31, 2023

	Core Government		Controlled Entities		Total
	2023	2022	2023	2022	
REVENUE					
Taxation	\$ 363,795	\$ 313,281	\$ -	\$ -	\$ 363,795
Sales of goods and services	68,497	72,160	47,898	57,527	116,395
Grants and transfers	175,963	173,782	-	-	175,963
Other revenue	-	-	-	-	-
Total revenue	\$ 608,255	\$ 559,223	\$ 47,898	\$ 57,527	\$ 656,153
EXPENSES					
Personnel services	\$ 80,785	\$ 135,738	\$ -	\$ -	\$ 80,785
Contract services	95,872	99,416	-	-	95,872
Utilities	33,391	29,976	7,261	8,494	40,652
Maintenance materials and supplies	195,166	138,202	16,231	8,180	211,397
Amortization	81,940	81,056	19,756	23,562	101,696
Interest on long term debt	12,833	12,009	-	-	12,833
Other	92,977	120,090	36,445	35,122	129,422
Total expenses	\$ 592,964	\$ 616,487	\$ 79,693	\$ 75,358	\$ 672,657
Surplus (Deficit)	\$ 15,291	\$ (57,264)	\$ (31,795)	\$ (17,831)	\$ (16,504)
					\$ 691,845
					\$ (75,095)

TOWN OF SMALL POINT - BROAD COVE - BLACK HEAD - ADAM'S COVE
Reconciliation of the Financial Plan to the Budget
Year Ended December 31, 2023

SCHEDULE 6

	Financial Plan	Amortization (TCA)	Interest Expense	Transfers	Consolidated Entities	PSAB Budget
REVENUE						
Taxation	\$ 364,819	\$ -	-	\$ -	-	\$ 364,819
Sales of goods and services	104,600	-	-	-	47,898	152,498
Grants and transfers	90,852	-	-	-	-	90,852
Other revenue	6,500	-	-	-	-	6,500
Total revenue	\$ 566,771	\$ -	-	\$ -	\$ 47,898	\$ 614,669
EXPENSES						
General government services	\$ 216,500	\$ 4,091	-	\$ -	-	\$ 220,591
Protective services	32,000	8,911	-	-	6,734	47,645
Transportation services	48,000	19,690	-	-	-	67,690
Environmental health services	89,500	58,159	-	-	-	147,659
Regional planning and development	8,500	-	-	-	-	8,500
Recreation and cultural services	6,000	10,845	-	-	15,203	32,048
Fiscal services:						
Capital expenditures	25,228	-	-	-	-	-
Amortization expense	-	-	-	-	-	25,228
Provision for uncollectible taxes	27,000	-	-	-	-	-
Debt charges	113,949	-	(101,116)	-	-	27,000
Total expenses	\$ 566,677	\$ 101,696	\$ (101,116)	\$ -	\$ 21,937	\$ 589,194
Surplus (Deficit)	\$ 94	\$ (101,696)	\$ 101,116	\$ -	\$ 25,961	\$ 25,475

**TOWN OF SMALL POINT-BROAD COVE-
BLACK HEAD-ADAM'S COVE**

Annual Expenditure Report

December 31, 2023

TOWN OF SMALL POINT-BROAD COVE-BLACK HEAD-ADAM'S COVE
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December 31, 2023

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Independent Practitioner's Reasonable Assurance Report on Compliance

To the Gas Tax Secretariat of the Newfoundland and Labrador Department of Municipal Affairs and Environment,

We have undertaken a reasonable assurance engagement of the Town of Small Point-Broad Cove-Black Head-Adam's Cove (the "Entity")'s compliance for the year ended December 31, 2023 with the criteria established by the terms and conditions described in sections 4.3, 5.2.1, Schedule A paragraphs 1, 3, 4, 5 (Newfoundland and Labrador Public Tender Act only), 13, 14, 15, 16, 17, 23, 25, 26, 27, and 28, Schedule C and Schedule D of the Ultimate Recipient Gas Tax Agreement dated October 14, 2014 between the Province of Newfoundland and Labrador and the Town of Small Point-Broad Cove-Black Head-Adam's Cove.

Management's Responsibility

Management is responsible for the Entity's compliance with the specified requirements of Ultimate Recipient Gas Tax Agreement. Management is also responsible for such internal control as management determines necessary to enable the Entity's compliance with the specified requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance opinion on the Entity's compliance based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with Canadian Standard on Assurance Engagements 3531, Direct Engagements to Report on Compliance. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the entity complied with the specified requirements, in all significant respects.

Reasonable assurance is a high level of assurance, but is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements. The nature, timing and extent of procedures selected depends on our professional judgment, including an assessment of the risks of significant non-compliance, whether due to fraud or error.

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

(continues)

Independent Practitioner's Reasonable Assurance Report on Compliance (*continued*)

Our Independence and Quality Control

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, the Town of Small Point-Broad Cove-Black Head-Adam's Cove complied with the criteria established by the terms and provisions described in sections 4.3, 5.2.1, Schedule A paragraphs 1, 3, 4, 5 (Newfoundland and Labrador Public Tender Act only), 13, 14, 15, 16, 17, 23, 25, 26, 27, and 28, Schedule C and Schedule D of the agreement as at December 31, 2023, in all significant respects.

We do not provide a legal opinion on the Entity's compliance with the specified requirements.

Restriction on Distribution and User of Our Report

Our report is intended solely for management to report on compliance to the Gas Tax Secretariat of the Department of Municipal Affairs and Environment for the Province of Newfoundland and Labrador and should not be distributed to or used by parties other than the Town of Small Point-Broad Cove-Black Head-Adam's Cove or the Province of Newfoundland and Labrador.

November 26, 2024
St. John's, Newfoundland and Labrador

Beacon Accounting Professional Corporation
CHARTERED PROFESSIONAL ACCOUNTANTS

Appendix A: Summary of Ultimate Recipients Funding and Certification

2023 Ultimate Recipient Annual Expenditure Report

Town of Small Point-Broad Cove-Black Head-Adam's Cove

For the Year Ended December 31, 2023

	Annual	Cumulative
	01/01/2023 - 12/31/2023	Date of signing - 12/31/2023
1. Opening balance of unspent funding	54,660	-
2. Received from Government of Newfoundland & Labrador	9,473	419,093
3. Interest earned on gas tax funds	-	-
4. Interest spent on eligible projects	-	-
5. Net interest earned on gas tax funds	-	-
6. Gas Tax Funds spent on eligible projects	NOTE 1 (30,765)	(385,725)
7. Closing balance of unspent funding	33,368	33,368
8. Gas Tax bank account balance	-	NOTE 2
9. Gas Tax bank account surplus/deficit (see Note)	(33,368)	

10. Does the recipient have a separate bank account for Gas Tax funds?

Yes: _____ No: X

NOTE 1: Roads project #230-2019-6713 was approved May 29, 2019 for \$113,880. A bank loan was obtained to finance this amount. The GTF spent in 2023 on this project as shown above in the amount of \$24,142, consists of payment directly on the principal balance of the loan. The loan balance will be repaid from future Federal Gas Tax Grant receipts.

NOTE 2: Client has been made aware of the requirement of a separate account

Certification by Ultimate Recipient

I, Curtis Delaney, Mayor of the Town of Small Point-Broad Cove-Black Head-Adam's Cove certify that the information reported is a true and accurate representation of the Town's position with respect to its federal gas tax revenues. I acknowledge and understand that any contravention of the terms and conditions of the Ultimate Recipient Gas Tax Agreement may result in funding being withheld.

Signature: Curtis Delaney Date: Nov 22, 2024

Appendix B: Eligible Recipient's Project Expenditure Report for Municipalities/Inuit Community Governments
2023 Annual Expenditure Report

Town of Small Point-Broad Cove-Black Head-Adam's Cove
For the Year Ended December 31, 2023

A	B	C	D	E	F	G	H	I	J
Project Number	Amount Approved by the Gas Tax Committee	Project Title	Project Description	Current Status	Start & End Date	Total Project Costs	GTF Spent in 2023	Total Gas Tax Fund Spent	Expected Outcomes
230-2010-1176	\$ 15,510	Road Upgrades	Road Upgrades	Complete	2010	\$ 15,510	\$ -	\$ 15,510	Lower Gas
230-2010-1177	\$ 4,733	Road Upgrades	Road Upgrades	Complete	2010	\$ 4,733	\$ -	\$ 4,733	Lower Gas
230-2010-1178	\$ 6,867	Road Upgrades	Road Upgrades	Complete	2010	\$ 6,867	\$ -	\$ 6,867	Lower Gas
230-2010-1180	\$ 30,235	Road Upgrades	Road Upgrades	Complete	2010	\$ 30,235	\$ -	\$ 30,235	Lower Gas
230-2010-	\$ 18,064	Road Upgrades	Road Upgrades	Complete	2010	\$ 18,064	\$ -	\$ 18,064	Lower Gas
230-2010-1182S	\$ 9,256	Road Upgrades	Road Upgrades	Complete	2010	\$ 9,256	\$ -	\$ 9,256	Lower Gas
230-2010-1179	\$ 24,400	Municipal Plan	ICSP/Municipal Town Plan	Complete	Jan 1, 2010 - Feb 15, 2011	\$ 19,729	\$ -	\$ 19,729	Lower Gas
230-2012-2106	\$ 25,016	Water/Sewer Upgrade	New Well Drilling	Complete	Feb 1, 2012 - Jun 30, 2012	\$ 24,214	\$ -	\$ 24,214	Cleaner Water
230-2013-2899	\$ 47,182	Water/Sewer Upgrade	New Well Drilling	Complete	2013	\$ 47,182	\$ -	\$ 47,182	Cleaner Water
230-2015-5670	\$ 19,803	Water Upgrade	Waterline Upgrade	Not Started		\$ 19,803	\$ -	\$ -	Cleaner Water
230-2016-5793	\$ 94,673	Road Upgrades	Road Upgrades	Complete	Apr 2016	\$ 94,673	\$ -	\$ 94,673	Productivity and Economic Growth
230-2019-6713	\$ 113,880	Road Upgrades	Road Upgrades 2019 GIS mapping & digital infrastructure	Complete	Oct 2019	\$ 125,580	\$ 24,142	\$ 108,639	Productivity and Economic Growth
230-2023-7993	\$ 9,473	GIS Portal & Digital Management	management project to improve municipal planning.	Ongoing	2023	\$ 10,446	\$ 6,623	\$ 6,623	Strong cities and communities

Asset Management Plan Information

Please answer the following questions:

1. Has your Local Government Completed an Asset Management Plan?

No

1a. If no, please provide a brief update on the progress/if any on your Local Government's Asset Management Plan?

The Asset Management Plan will be completed in the coming months upon receiving the documentation from the Department of Municipal Affairs.

1b. If yes, did you receive funding from other sources to complete the Asset Management Plan? Which source?

N/A

2 Has your Local Government completed any training on Asset Management Planning?

Yes _____ No X

2a. If yes, what type of training has your Local Government completed?