



Consolidated financial statements

The Village of Bible Hill

March 31, 2018

Contents

	Page
Management's responsibility for financial reporting	1
Independent auditor's report	2
Consolidated statement of operations and surplus	4
Consolidated statement of financial position	5
Consolidated statement of changes in net financial assets	6
Consolidated statement of cash flows	7
Consolidated schedule of tangible capital assets	8
Notes to the consolidated financial statements	9 – 13
Schedules to consolidated statement of operations	14 – 15
Supplementary schedules to the consolidated financial statements	
Schedule of changes in general operating fund	16
Schedule of changes in general capital fund	17
Schedule of changes in reserve funds	18

Management's responsibility for financial reporting


The accompanying financial statements are the responsibility of the management of The Village of Bible Hill (the "Village") and have been prepared in compliance with legislation, and in accordance with Canadian generally accepted public sector standards 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 Commissioners met with management and its external auditors to review a draft of the financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized financial statements.

Grant Thornton LLP, as the Commissioners' appointed external auditors, have audited the financial statements. The auditor's report is addressed to the Commissioners and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the financial statements are free of material misstatement and present fairly the financial position and results of the Village in accordance with Canadian public sector accounting standards.


Chair


Clerk

Independent auditor's report

Grant Thornton LLP
733 Prince Street
Truro, NS
B2N 1G7
T +1 902 893 1150
F +1 902 893 9757
www.GrantThornton.ca

To the Commissioners of The Village of Bible Hill

We have audited the accompanying consolidated financial statements of The Village of Bible Hill, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Village of Bible Hill as at March 31, 2018, and the consolidated results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on Pages 16 to 18 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of the consolidated financial statements taken as a whole.

Truro, Canada
May 15, 2018



Chartered Professional Accountants
Licensed Public Accountants

The Village of Bible Hill

Consolidated statement of operations and surplus

Year ended March 31

	2018 Budget (Unaudited)	2018 Actual	2017 Actual
Revenues			
Taxes – real property	1,961,000	1,960,545	1,915,644
Grants in lieu of taxes (Page 14)	329,500	364,196	325,075
Revenue form own/other sources	3,000	41,475	37,421
Conditional transfers from other governments	867,400	801,097	48,103
HST offset	10,000	16,164	11,476
Interest	5,000	22,450	11,287
Rentals	32,500	16,055	17,165
Gain on disposal of capital asset	-	10,559	7,475
Total revenues	<u>3,208,400</u>	<u>3,232,541</u>	<u>2,373,646</u>
Expenses			
General government services (Page 14)	431,000	449,017	406,694
Protective services (Page 14)	286,000	274,562	275,027
Transportation services (Page 15)	286,000	232,554	239,250
Environmental health services (Page 15)	278,000	250,872	270,003
Recreation and cultural services (Page 15)	367,000	372,752	332,514
Amortization	574,940	549,395	511,954
Bad debt	9,500	9,364	9,364
Total expenses	<u>2,232,440</u>	<u>2,138,516</u>	<u>2,044,806</u>
Annual surplus	<u>\$ 975,960</u>	<u>\$ 1,094,025</u>	<u>\$ 328,840</u>
Accumulated surplus, beginning of year			
		\$ 9,870,758	\$ 9,541,918
Annual surplus			
		<u>1,094,025</u>	<u>328,840</u>
Accumulated surplus, end of year			
		<u>\$ 10,964,783</u>	<u>\$ 9,870,758</u>

See accompanying notes to the consolidated financial statements

The Village of Bible Hill

Consolidated statement of financial position

March 31 2018 2017

Financial assets		
Cash and cash equivalents	\$ 447,577	\$ 629,661
Restricted cash	1,699,214	1,190,613
Receivables	<u>84,654</u>	<u>43,580</u>
	<u>2,231,445</u>	<u>1,863,854</u>
Liabilities		
Payables and accruals	97,534	205,385
Deferred revenues (Note 2)	<u>1,859</u>	<u>3,151</u>
	<u>99,393</u>	<u>208,536</u>
Net financial assets	<u>2,132,052</u>	<u>1,655,318</u>
Non-financial assets		
Tangible capital assets, net (Page 8)	8,828,436	8,210,309
Prepays	<u>4,295</u>	<u>5,131</u>
	<u>8,832,731</u>	<u>8,215,440</u>
Accumulated surplus (Note 7)	<u>\$ 10,964,783</u>	<u>\$ 9,870,758</u>

Commitment (Note 8)

On behalf of The Village of Bible Hill

 Chair

 Clerk

See accompanying notes to the consolidated financial statements

The Village of Bible Hill
Consolidated statement of changes in
net financial assets

Year ended March 31	2018 Budget (Unaudited)	2018 Actual	2017 Actual
Annual surplus	\$ 975,960	\$ 1,094,025	\$ 328,840
Acquisition of tangible capital assets	(1,736,000)	(1,167,522)	(252,349)
Amortization of tangible capital assets	574,940	549,395	511,954
Proceeds on disposal of tangible capital assets	-	10,559	7,475
Gain on disposal of tangible capital assets	-	(10,559)	(7,475)
	<u>(1,161,060)</u>	<u>(618,127)</u>	<u>259,605</u>
Change in prepaid expenses	<u>-</u>	<u>836</u>	<u>924</u>
Change in net financial assets	\$ <u>(185,100)</u>	<u>476,734</u>	<u>589,369</u>
Net financial assets, beginning of year		<u>1,655,318</u>	<u>1,065,949</u>
Net financial assets, end of year		\$ <u>2,132,052</u>	\$ <u>1,655,318</u>

See accompanying notes to the consolidated financial statements

The Village of Bible Hill

Consolidated statement of cash flows

Year ended March 31

2018

2017

Net inflow (outflow) of cash and cash equivalents related to the following activities:

Operating

Annual surplus	\$	1,094,025	\$	328,840
Amortization		549,395		511,954
Gain on disposal of tangible capital assets		(10,559)		(7,475)

1,632,861 833,319

Changes in non-cash working capital

Receivables		(41,074)		61,024
Payables and accruals		(107,851)		48,657
Prepays		836		924
Deferred revenue		(1,292)		(555)

1,483,480 943,369

Capital

Acquisition of tangible capital assets		(1,167,522)		(252,349)
Proceeds on disposal of tangible capital assets		10,559		7,475

(1,156,963) (244,874)

Change in cash and cash equivalents 326,517 698,495

Cash and cash equivalents

Beginning of year		1,820,274		1,121,779
End of year	\$	2,146,791	\$	1,820,274

Represented by:

Cash and cash equivalents	\$	447,577	\$	629,661
Restricted cash		1,699,214		1,190,613

\$ 2,146,791 \$ 1,820,274

See accompanying notes to the consolidated financial statements

The Village of Bible Hill

Schedule of tangible capital assets

Year ended March 31, 2018

	Land	Buildings	Machinery and Equipment	Sewers	Sidewalks	Signs	Trails	Vehicles	2018	2017
Cost:										
Balance, beginning of year	\$896,512	\$2,406,124	\$1,706,305	\$5,501,677	\$3,284,609	\$207,339	\$258,358	\$1,209,394	\$15,470,318	\$15,229,270
Acquisition of tangible capital assets	27,202	-	113,202	1,027,118	-	-	-	-	1,167,522	252,349
Disposal of tangible capital assets	-	(11,123)	(664,715)	-	-	(17,272)	-	(500)	(693,610)	(11,301)
Balance, end of year	923,714	2,395,001	1,154,792	6,528,795	3,284,609	190,067	258,358	1,208,894	15,944,230	15,470,318
Accumulated amortization:										
Balance, beginning of year	-	942,005	1,234,914	2,379,844	1,721,777	125,734	122,387	733,348	7,260,009	6,759,356
Disposals	-	(11,123)	(664,715)	-	-	(17,272)	-	(500)	(693,610)	(11,301)
Annual amortization	-	70,504	127,845	143,601	125,094	12,126	10,522	59,703	549,395	511,954
Balance, end of year	-	1,001,386	698,044	2,523,445	1,846,871	120,588	132,909	792,551	7,115,794	7,260,009
Net book value of tangible capital assets	\$923,714	\$1,393,615	\$456,748	\$4,005,350	\$1,437,738	\$69,479	\$125,449	\$416,343	\$8,828,436	\$8,210,309
2017 net book value of tangible capital assets	\$896,512	\$1,464,119	\$471,391	\$3,121,833	\$1,562,832	\$81,605	135,971	\$476,046		

The Village of Bible Hill

Notes to the consolidated financial statements

March 31, 2018

1. Summary of significant accounting policies

Principles and basis of consolidation

The consolidated financial statements of The Village of Bible Hill ("the Village") are the representations of management prepared in accordance with Canadian generally accepted accounting standards for local governments as established by the Public Sector Accounting Board ("PSAB") of Chartered Professional Accountants (CPA) Canada. Significant aspects of the accounting policies adopted by the Village are as follows:

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and changes in fund balances and in financial position of the Village. Interdepartmental and organizational transactions and balances are eliminated on consolidation.

Basis of accounting

The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards requires the Village's management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenditures during the year. Actual results could differ from those reported.

Revenue recognition

Tax revenues are property tax billings which are prepared based on assessment rolls issued by the Province of Nova Scotia. Tax rates are established annually by the Village. Taxes are billed based on the assessment rolls provided by the Province of Nova Scotia. Taxation revenues are recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined.

The Municipality of the County of Colchester collects tax revenue and grants in lieu on behalf of The Village of Bible Hill.

Revenues from services to other governments, sale of services, and other revenues are recognized when services are performed and/or when earned as long as amounts can be reasonably estimated and collection is reasonably assured.

Unconditional and conditional transfers from other governments are recognized as revenues in the period that events giving rise to the transfers occurred as long as the transfer is authorized, eligibility criteria (if any) have been met and a reasonable amount of the transfer can be estimated.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks.

The Village of Bible Hill

Notes to the consolidated financial statements

March 31, 2018

1. Summary of significant accounting policies (continued)

Non-financial assets

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

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 assets. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<u>Years</u>
Buildings	5 – 40
Machinery and equipment	3 – 10
Sewers	30 – 50
Sidewalks	20
Signs	5 – 20
Trails	20
Vehicles	5 – 20

A full year of amortization is charged in the year of acquisition provided the asset is placed in service. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and are also recorded as revenue.

Segmented information

The Village of Bible Hill is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Village's operations and activities are organized and reported by fund. This presentation is in accordance with the Provincial Financial Reporting and Accounting Manual, and was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

This department is responsible for the overall financial and local government administration. Its tasks include tax administration, trade payables and receivables, budgets, financial statements and adherence to the *Municipal Government Act*.

The Village of Bible Hill

Notes to the consolidated financial statements

March 31, 2018

1. Summary of significant accounting policies (continued)

Segmented information (continued)

Protective services

The Village is primarily responsible for fire protection for its residents. The Village engages the services of various not for profit, volunteer fire departments in order to fulfil its fire protection role. The Village pays the operating and capital expenditures for the fire department. Other protective services include wages paid to the crossing guards and support to the Bible Hill Safety Advisory Committee.

Transportation services

The Village is responsible for the maintenance and construction of sidewalks including snow removal as well as overhead cross walk signage within its jurisdiction. They are also responsible for the street lighting within the Village.

Environmental health services

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

Recreation and cultural services

This department is responsible for promoting and offering recreation opportunities and activities to the Village's residents. This department is also responsible for the maintenance and operations of parks, trails and recreation fields for the benefit of all residents.

Budget figures

The budget figures contained in these consolidated financial statements were approved by the Commissioners in its original fiscal plan.

Deferred revenue

Deferred revenue will be recognized in the period in which the revenue has been earned.

Contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites would be recognized when all the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the Village of Bible Hill:
 - is directly responsible; or
 - accepts responsibility; and
- iv. a reasonable estimate of the amount can be made

As at March 31, 2018 there are no known contaminated sites identified.

The Village of Bible Hill
Notes to the consolidated financial statements
March 31, 2018

2. Deferred revenues	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 3,151	\$ 3,706
Funding received	5,000	4,866
Amount recognized	<u>(6,292)</u>	<u>(5,421)</u>
Balance, end of year	\$ <u>1,859</u>	\$ <u>3,151</u>

3. Investment in tangible capital assets	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 8,210,309	\$ 8,469,914
Acquisition of tangible capital assets	1,167,522	252,349
Disposal of tangible capital assets	(693,610)	(11,301)
Accumulated amortization of assets disposed	693,610	11,301
Amortization of tangible capital assets	<u>(549,395)</u>	<u>(511,954)</u>
Balance, end of year	\$ <u>8,828,436</u>	\$ <u>8,210,309</u>
Represented by:		
Tangible capital assets (Page 8)	\$ 15,944,230	\$ 15,470,318
Accumulated amortization (Page 8)	<u>(7,115,794)</u>	<u>(7,260,009)</u>
	\$ <u>8,828,436</u>	\$ <u>8,210,309</u>

4. Short-term borrowings

The Village has an operating line of credit of \$700,000, all of which is unused at March 31, 2018.

5. Remuneration

The following amounts were paid to the commissioners and senior staff in the form of remuneration or reimbursement of expenses:

	<u>Remuneration</u>	<u>Expenses</u>	<u>Total</u>
Chair: Lois MacCormick	\$ 10,039	\$ 906	\$ 10,945
Deputy Chair:			
Donna van Kroonenburg	\$ 9,438	\$ 885	\$ 10,323
Commissioners:			
Kevin Kennedy	\$ 8,837	\$ 845	\$ 9,682
Mitchell Bell	\$ 8,837	\$ 685	\$ 9,522
Dwane Mellish	\$ 7,114	\$ 163	\$ 7,277
Former Commissioner: Dale McLeod	\$ 1,715	\$ -	\$ 1,715
Clerk: Robert Christianson	\$ 97,248	\$ 18	\$ 97,266

The Village of Bible Hill

Notes to the consolidated financial statements

March 31, 2018

6. Employee benefits

The Village operates a defined contribution savings plan for their employees. The assets of the plan are held separate from those of the Village in independently administered funds.

Contributions paid and expensed by the Village in the current year amounted to \$27,856 (2017 - \$23,581).

7. Accumulated surplus

	<u>2018</u>	<u>2017</u>
General operating fund (Page 16)	\$ 437,133	\$ 469,836
General capital fund (Page 17)	-	-
Reserve funds (Page 18)	<u>1,699,214</u>	<u>1,190,613</u>
	<u>2,136,347</u>	<u>1,660,449</u>
Investment in tangible capital assets (Page 8)	<u>8,828,436</u>	<u>8,210,309</u>
	<u>\$ 10,964,783</u>	<u>\$ 9,870,758</u>

8. Commitment

The Village has committed to a cost-sharing project with the Municipality of Colchester County in relation to a sidewalk project. The estimated cost to the Village is \$450,000 and is expected to be paid out in fiscal 2019.

The Village of Bible Hill

Schedule of changes in general operating fund

Year ended March 31

2018

2017

Revenues

Taxes	\$	1,960,545	\$	1,915,644
Grants in lieu of taxes		364,196		325,075
Interest		10,121		5,118
Rentals		16,055		17,165
Revenue from own sources		38,995		31,223
Conditional transfers from other governments		30,759		20,530
HST offset		16,164		11,476
Total revenues		<u>2,436,835</u>		<u>2,326,231</u>

Expenses

General government services		449,017		406,694
Protection services		274,562		275,027
Transportation services		232,554		239,250
Environmental health services		250,872		270,003
Recreation and cultural services		372,752		332,514
Amortization		549,395		511,954
Bad debt		9,364		9,364
Total expenses		<u>2,138,516</u>		<u>2,044,806</u>

Net revenues

		<u>298,319</u>		<u>281,425</u>
Transfer of net amortization expense		549,395		511,954
Transfer to other funds, net (Page 15)		<u>(880,417)</u>		<u>(705,625)</u>
		<u>(331,022)</u>		<u>(193,671)</u>

Change in fund balance

(32,703) 87,754

Opening fund balance

469,836 382,082

Closing fund balance

\$ 437,133 \$ 469,836

The Village of Bible Hill
Schedule of changes in general capital fund

Year ended March 31 2018 2017

Revenues		
Conditional transfer from other governments	\$ 770,338	\$ 27,573
Revenues from own sources	2,480	6,198
Gain on disposal of asset	<u>10,559</u>	<u>7,475</u>
Total revenues	<u>783,377</u>	<u>41,246</u>
Net revenues	<u>783,377</u>	<u>41,246</u>
Transfers (Page 15)	<u>(783,377)</u>	<u>(41,246)</u>
Change in fund balance	-	-
Opening fund balance	<u>-</u>	<u>-</u>
Closing fund balance	<u>\$ -</u>	<u>\$ -</u>

The Village of Bible Hill
Schedule of changes in reserve funds

Year ended March 31, 2018

	<u>Capital</u>	<u>Maintenance</u>	<u>Fire</u>	<u>Recreation</u>	<u>Operating</u>	<u>2018</u>	<u>2016</u>
Revenues							
Interest	\$ 6,473	\$ 312	\$ 2,969	\$ 350	\$ 2,225	\$ 12,329	\$ 6,169
Net revenues	6,473	312	2,969	350	2,225	12,329	6,169
Transfers (Page 15)	400,000	12,250	59,022	20,000	5,000	496,272	494,522
Change in fund balance	406,473	12,562	61,991	20,350	7,225	508,601	500,691
Opening fund balance	612,392	22,558	245,600	21,715	288,348	1,190,613	689,922
Closing fund balance	\$ 1,018,865	\$ 35,120	\$ 307,591	\$ 42,065	\$ 295,573	\$ 1,699,214	\$ 1,190,613