



**GILLIES BAY IMPROVEMENT DISTRICT**  
**Index to Financial Statements**  
**Year Ended December 31, 2018**

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**dmd**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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The financial statements of Gillies Bay Improvement District have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

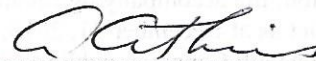
The integrity and reliability of Gillies Bay Improvement District's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Trustees is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Board of Trustees moves for the approval of the financial statements. The Board also considers, for review and approval of the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by DMD Chartered Professional Accountants, in accordance with Canadian public sector accounting standards.



Trustee



Trustee

Gillies Bay, British Columbia  
April 12, 2019



Chartered Professional Accountants

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## INDEPENDENT AUDITOR'S REPORT

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To the Trustees of Gillies Bay Improvement District

### *Report on the Financial Statements*

#### *Opinion*

We have audited the financial statements of Gillies Bay Improvement District (the District), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2018, 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 Financial Statements* section of our report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the 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.

#### *Material Uncertainty Relating to Going Concern*

We draw your attention to Note 11 in the financial statements, which indicates that the District may face significant and onerous costs in order to meet the objectives of a master water plan commissioned in 2016. As stated in Note 11, these events or conditions, along with other matters as set forth in Note 11, indicate that a material uncertainty exists that may cast significant doubt on the District's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### *Other Matter*

The financial statements of Gillies Bay Improvement District for the year ended December 31, 2017 were audited by another auditor who expressed an unmodified opinion on those financial statements on April 5, 2018.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the District'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 District or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 District'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 District'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 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 District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

Powell River, British Columbia  
April 12, 2019


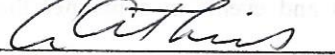


CHARTERED PROFESSIONAL ACCOUNTANTS

**GILLIES BAY IMPROVEMENT DISTRICT**

**Statement of Financial Position**

**December 31, 2018**

	<i>December 31</i> <b>2018</b>	<i>December 31</i> <b>2017</b>
<b>FINANCIAL ASSETS</b>		
Cash (Note 3)	\$ 358,077	\$ 652,640
Term deposits held for capital works and equipment renewal reserve fund (Note 4)	280,113	-
Accounts receivable	25,355	33,859
Interest receivable	5,823	-
Goods and services tax recoverable	10,746	5,749
	<u>680,114</u>	<u>692,248</u>
<b>LIABILITIES</b>		
Accounts payable	9,768	10,226
Wages payable	3,583	-
Government remittances payable	1,938	2,993
Deferred income (Note 5)	45,351	-
Long term debt (Note 6)	201,291	215,061
	<u>261,931</u>	<u>228,280</u>
<b>NET FINANCIAL ASSETS</b>	<u><b>418,183</b></u>	<u><b>463,968</b></u>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses	13,246	11,552
Tangible capital assets (Note 7)	975,265	895,179
	<u>988,511</u>	<u>906,731</u>
<b>ACCUMULATED SURPLUS (Note 8)</b>	<u><b>\$ 1,406,694</b></u>	<u><b>\$ 1,370,699</b></u>
<b>ON BEHALF OF COUNCIL</b>		
 _____	Trustee	
 _____	Trustee	

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

**GILLIES BAY IMPROVEMENT DISTRICT**

**Statement of Operations**

**Year Ended December 31, 2018**

	2018	2017
<b>REVENUES</b>		
Water services		
Water tolls	\$ 85,295	\$ 91,340
Water metering	4,205	4,455
	<u>89,500</u>	<u>95,795</u>
Street lighting		
Street lighting	12,610	12,565
	<u>12,610</u>	<u>12,565</u>
Fire department		
Tax revenue	104,317	100,072
Interest	92	53
Donation	1,534	14,221
	<u>105,943</u>	<u>114,346</u>
Governance and administration		
Parcel tax	133,586	126,473
Other charges	8,641	2,527
Interest	6,958	2,764
Rental	5,412	5,835
	<u>154,597</u>	<u>137,599</u>
	<u>362,650</u>	<u>360,305</u>
<b>EXPENSES</b>		
Schedule of Expenses by Object - Water Services <i>(Schedule 1)</i>	102,133	84,599
Schedule of Expenses by Object - Street Lighting <i>(Schedule 2)</i>	15,150	14,902
Schedule of Expenses by Object - Fire Department <i>(Schedule 3)</i>	105,365	105,060
Schedule of Expenses by Object - Governance and administration <i>(Schedule 4)</i>	104,007	69,613
	<u>326,655</u>	<u>274,174</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 35,995</u>	<u>\$ 86,131</u>

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

**GILLIES BAY IMPROVEMENT DISTRICT**  
**Statement of Changes in Accumulated Surplus**  
**Year Ended December 31, 2018**

	<b>2018</b>	<b>2017</b>
<b>ACCUMULATED SURPLUS - BEGINNING OF YEAR</b>	<b>\$ 1,370,699</b>	<b>\$ 1,284,568</b>
<b>ANNUAL SURPLUS</b>	<b>35,995</b>	<b>86,131</b>
<b>ACCUMULATED SURPLUS - END OF YEAR</b>	<b>\$ 1,406,694</b>	<b>\$ 1,370,699</b>

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



**GILLIES BAY IMPROVEMENT DISTRICT**  
**Statement of Changes in Net Financial Assets**  
**Year Ended December 31, 2018**

	2018	2017
<b>ANNUAL SURPLUS</b>	<b>\$ 35,995</b>	<b>\$ 86,131</b>
Purchase of tangible capital assets	(131,565)	(26,745)
Increase in prepaid expenses	(17,345)	(11,552)
Amortization of tangible capital assets	51,479	49,519
Use of prepaid expenses	15,651	12,591
	<u>(81,780)</u>	<u>23,813</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	<b>(45,785)</b>	<b>109,944</b>
<b>NET FINANCIAL ASSETS - BEGINNING OF YEAR</b>	<b>463,968</b>	<b>354,024</b>
<b>NET FINANCIAL ASSETS - END OF YEAR</b>	<b>\$ 418,183</b>	<b>\$ 463,968</b>

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

**GILLIES BAY IMPROVEMENT DISTRICT**

**Statement of Cash Flows**

**Year Ended December 31, 2018**

	2018	2017
<b>OPERATING ACTIVITIES</b>		
Annual Surplus	\$ 35,995	\$ 135,650
Item not affecting cash:		
Amortization of property, plant and equipment	51,479	-
	<u>87,474</u>	<u>135,650</u>
Changes in non-cash working capital:		
Accounts receivable	8,504	4,919
Interest receivable	(5,823)	-
Accounts payable	(458)	4,337
Deferred income	45,351	-
Prepaid expenses	(1,694)	1,039
Goods and services tax payable	(4,997)	3,509
Wages payable	3,583	-
Employee deductions payable	(1,055)	-
	<u>43,411</u>	<u>13,804</u>
Cash flow from operating activities	<u>130,885</u>	<u>149,454</u>
<b>INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	(131,565)	(26,745)
Cash flow used by investing activity	<u>(131,565)</u>	<u>(26,745)</u>
<b>FINANCING ACTIVITY</b>		
Repayment of long term debt	(13,770)	(13,370)
Cash flow used by financing activity	<u>(13,770)</u>	<u>(13,370)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(14,450)</b>	<b>109,339</b>
Cash - beginning of year	<u>652,640</u>	<u>543,301</u>
<b>CASH - END OF YEAR</b>	<b>\$ 638,190</b>	<b>\$ 652,640</b>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 358,077	\$ 652,640
Term deposits	280,113	-
	<u>\$ 638,190</u>	<u>\$ 652,640</u>

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

# GILLIES BAY IMPROVEMENT DISTRICT

## Notes to Financial Statements

Year Ended December 31, 2018

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### 1. DESCRIPTION OF OPERATIONS

The Gillies Bay Improvement District (the 'District') provides waterworks, street lighting, and fire protection to the properties within the district's boundaries. The Gillies Bay Improvement District's Letter Patent was established in 1963 and the District is governed by its own by-laws.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian public sector accounting standards (PSAB) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

#### Fund accounting

The District follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund. Operating fund surplus comprise the excess of revenue over expenses accumulated by the organization each year, net of transfers, and are available for general purposes.

Expenses related to the ownership and cost of tangible capital assets are reported in the Tangible Capital Asset Fund.

The Capital Works and Equipment Renewal Reserve Fund reports funds transferred from the Operating Fund as designated by the Trustees, interest earned, and expenditures for upgrading, repairs, replacement, and renewal of tangible capital assets.

#### Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the District's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of tangible capital assets;
- the estimated useful lives of assets;
- the allowance for doubtful accounts;

(continues)

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**GILLIES BAY IMPROVEMENT DISTRICT**

**Notes to Financial Statements**

**Year Ended December 31, 2018**

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

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Building	4%	declining balance method
Computer equipment	55%	declining balance method
Equipment	20%	declining balance method
Dam	2%	declining balance method
Motor vehicles	30%	declining balance method
Waterworks and Lightning	3%	declining balance method

The District regularly reviews its property, plant and equipment to eliminate obsolete items. In the year of acquisition, the District provides for amortization of additions (net of proceeds from disposals) at one-half the normal rate.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Donated capital assets or asset partially funded by specified donations or grants are recorded at their fair market value at the time of the donation. The donation value related to the donated asset is recognized over the life of the asset, at the same rate that the asset is being amortized.

Revenue recognition

The District recognizes revenues when they are earned, specifically when all the following conditions are met:

- tax assessments and levies are recognized annually, at the beginning of the year to which they relate.
- interest income is recorded using the effective interest rate method.

3. CASH

The cash consists of the following:

	<u>2018</u>		<u>2017</u>
<b>Operations</b>			
Current account and cash	\$ 137,853	\$	247,780
Savings	7		30,113
Savings - Internally restricted - Capital Works and Equipment Renewal Reserve Fund	126,846		354,857
Equity Shares	37		37
	<u>264,743</u>		<u>632,787</u>
<b>Firehall</b>			
Current Account	93,297		19,816
Equity shares	37		37
	<u>93,334</u>		<u>19,853</u>
	<u>\$ 358,077</u>	\$	<u>652,640</u>

**GILLIES BAY IMPROVEMENT DISTRICT**  
**Notes to Financial Statements**  
**Year Ended December 31, 2018**

4. TERM DEPOSITS HELD FOR CAPITAL WORKS AND EQUIPMENT RENEWAL RESERVE FUND

	2018	2017
Term deposit, bearing interest at 2.30%, due July 18, 2020	\$ 250,000	\$ -
Term deposit, bearing interest at 2.25%, due June 22, 2020	30,113	-
	\$ 280,113	\$ -

5. DEFERRED REVENUE

	Opening	Additions	Recognized as Income	Closing
Water meters	\$ -	\$ 22,644	\$ (754)	\$ 21,890
Structural Protection Unit grants and donations	-	24,695	(1,234)	23,461
	\$ -	\$ 47,339	\$ (1,988)	\$ 45,351

6. LONG TERM DEBT

	2018	2017
Ministry of Finance loan bearing interest at 3% per annum, repayable in monthly blended payments of \$20,222. The loan matures on July 1, 2030 and is secured by which has a carrying value of \$-	\$ 201,291	\$ 215,061
	\$ 201,291	\$ 215,061

Principal repayment terms are approximately:

2019	\$ 14,183
2020	14,609
2021	15,047
2022	15,499
2023	15,964
Thereafter	125,989
	\$ 201,291

**GILLIES BAY IMPROVEMENT DISTRICT**

**Notes to Financial Statements**

**Year Ended December 31, 2018**

**7. TANGIBLE CAPITAL ASSETS**

	Land	Building	Equipment	Dam	Water distribution Pipework	Motor Vehicle	Total
<b>Cost</b>							
Balance Jan 1, 2018	\$ 60,000	\$ 84,287	\$ 258,970	\$ 100,000	\$ 650,981	\$ 663,050	\$1,817,288
Additions	-	-	48,660	-	82,905	-	131,565
Transfers	-	-	2,165	-	(2,165)	-	-
<b>Balance Dec 31, 2018</b>	<b>\$ 60,000</b>	<b>\$ 84,287</b>	<b>\$ 309,795</b>	<b>\$ 100,000</b>	<b>\$ 731,721</b>	<b>\$ 663,050</b>	<b>\$1,948,853</b>

	Land	Buildings	Equipment	Dam	Water distribution Pipework	Motor Vehicle	Total
<b>Accumulated Amortization</b>							
Balance Jan 1, 2018	\$ -	\$ (59,003)	\$ (207,701)	\$ (65,375)	\$ (274,551)	\$ (315,479)	\$ (922,109)
Depreciation	-	(1,011)	(12,654)	(692)	(12,792)	(24,330)	(51,479)
Transfers	-	-	(963)	-	963	-	-
<b>Balance Dec 31, 2018</b>	<b>\$ -</b>	<b>\$ (60,014)</b>	<b>\$ (221,318)</b>	<b>\$ (66,067)</b>	<b>\$ (286,380)</b>	<b>\$ (339,809)</b>	<b>\$ (973,588)</b>
					<b>Net</b>		<b>975,265</b>

	Land	Buildings	Equipment	Dam	Water distribution Pipework	Motor Vehicle	Total
<b>Cost</b>							
Balance Jan 1, 2017	\$ 60,000	\$ 84,287	\$ 234,623	\$ 100,000	\$ 648,583	\$ 663,050	\$1,790,543
Additions	-	-	24,347	-	2,398	-	26,745
Disposals	-	-	-	-	-	-	-
<b>Balance Dec 31, 2017</b>	<b>\$ 60,000</b>	<b>\$ 84,287</b>	<b>\$ 258,970</b>	<b>\$ 100,000</b>	<b>\$ 650,981</b>	<b>\$ 663,050</b>	<b>\$1,817,288</b>

	Land	Buildings	Equipment	Dam	Water distribution Pipework	Motor Vehicle	Total
<b>Accumulated Amortization</b>							
Balance Jan 1, 2017	\$ -	\$ (57,949)	\$ (197,927)	\$ (64,668)	\$ (262,728)	\$ (289,318)	\$ (872,590)
Depreciation	-	(1,054)	(9,774)	(707)	(11,823)	(26,161)	(49,519)
Disposals	-	-	-	-	-	-	-
<b>Balance Dec 31, 2017</b>	<b>\$ -</b>	<b>\$ (59,003)</b>	<b>\$ (207,701)</b>	<b>\$ (65,375)</b>	<b>\$ (274,551)</b>	<b>\$ (315,479)</b>	<b>\$ (922,109)</b>
					<b>Net</b>		<b>895,179</b>

**8. ACCUMULATED SURPLUS**

	2018	2017
<b>OPERATING FUND</b>		
Balance, beginning of year	\$ 335,725	\$ 242,832
Excess of Revenue over expenditure	80,514	133,007
Operating funds used for the purchase of tangible capital assets	(131,565)	(26,745)
Repayment of long term debt	(13,770)	(13,369)
Transfer out to Capital Reserve Fund	(45,142)	-
<b>Balance, end of year</b>	<b>225,762</b>	<b>335,725</b>

*(continues)*

**GILLIES BAY IMPROVEMENT DISTRICT**

**Notes to Financial Statements**

**Year Ended December 31, 2018**

**TANGIBLE CAPITAL ASSET FUND**

Balance, beginning of year	680,117	689,522
Tangible capital asset additions — waterworks assets	82,905	2,398
Tangible capital asset additions — fire department assets	48,660	24,347
Amortization - waterworks assets	(13,484)	(12,530)
Amortization — fire department assets	(37,995)	(36,989)
Repayment (proceeds) of long—term debt	13,770	13,369
	773,973	680,117

**CAPITAL WORKS AND EQUIPMENT RENEWAL RESERVE FUND**

Balance, beginning of year	354,857	352,214
Interest	6,960	2,643
Transfer in from operating fund	45,142	-
	406,959	354,857
Grand total	\$ 1,406,694	\$ 1,370,699

9. FINANCIAL INSTRUMENTS

*Credit risk*

Credit risk arises from the potential that a counter party will fail to perform its obligations. The District is exposed to credit risk from rate payers's. In order to reduce its credit risk, the District can seize rate payers' properties in order to collect back taxes and levies owing. The District has a significant number of rate payers, which minimizes credit risk.

*Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The District is mainly exposed to interest rate risk.

*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 District manages exposure through its normal operating and financing activities. The District is exposed to interest rate risk primarily through its fixed interest rate investments and credit facilities.

Unless otherwise noted, it is management's opinion that the District is not exposed to significant other price risks arising from these financial instruments.

10. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

**GILLIES BAY IMPROVEMENT DISTRICT**

**Notes to Financial Statements**

**Year Ended December 31, 2018**

**11. GOING CONCERN**

These financial statements have been prepared on a going concern basis. However, as indicated by the Master Water Plan study published by Kerr Wood Leidal Associates Ltd, Consulting Engineers in July 2016 over the next 5 to 20 years significant capital asset upgrades may be necessary. Significant and onerous costs may be required in order to meet the objectives of the study. Depending on future funding, taxation, and related considerations this could result in going concern issues.

Secondly, the Board of Trustees are resigning as of April 12, 2019. Two of five trustees will stand for re-election on April 12th. A by-election will be held on May 1, 2019 to attempt to find the three additional trustees required to govern the District.



**GILLIES BAY IMPROVEMENT DISTRICT**  
**Schedule of Expenses by Object - Water Services**  
**Year Ended December 31, 2018**

*(Schedule 1)*

	2018	2017
<b>EXPENSES</b>		
Amortization of tangible assets	\$ 13,484	\$ 12,530
Freight	4,139	3,493
Honorarium and other	2,586	1,400
Licenses and permits	1,011	626
Repairs and maintenance	7,396	2,758
Supplies	11,165	8,330
Travel and training	3,739	9,123
Utilities	4,523	4,451
Wages and benefits	54,090	41,888
	<u>\$ 102,133</u>	<u>\$ 84,599</u>

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



**GILLIES BAY IMPROVEMENT DISTRICT**  
**Schedule of Expenses by Object - Fire Department**  
**Year Ended December 31, 2018**

*(Schedule 3)*

	2018	2017
<b>EXPENSES</b>		
Advertising and promotion	\$ 1,680	\$ 656
Amortization of tangible assets	37,995	36,989
Freight	582	285
Honorarium and other	4,800	4,950
Insurance	9,960	14,218
Interest and bank charges	42	173
Interest on long term debt	3,226	6,652
Licenses and permits	1,156	748
Memberships	528	586
Professional fees	5,940	2,278
Repairs and maintenance	2,061	997
Supplies	3,351	14,400
Telephone	1,982	2,164
Travel and training	6,694	7,444
Utilities	3,331	2,804
Vehicle	14,122	9,422
Wages and benefits	7,915	294
	<u>\$ 105,365</u>	<u>\$ 105,060</u>

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

**GILLIES BAY IMPROVEMENT DISTRICT**

**Schedule of Expenses by Object - Governance and administration (Schedule 4)**

**Year Ended December 31, 2018**

	2018	2017
<b>EXPENSES</b>		
Advertising and promotion	\$ 4,541	\$ 787
Bad debts	1,003	3,072
Board	1,156	-
Contractors	10,359	3,141
Honorarium and other	1,950	2,000
Insurance	7,588	7,728
Interest and bank charges	270	422
Office	3,155	3,627
Professional fees	3,648	2,278
Repairs and Maintenance	701	1,605
Telephone	2,473	2,357
Wages and benefits	67,163	42,596
	<u>\$ 104,007</u>	<u>\$ 69,613</u>

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