

**PORT OF KINGSTON**  
**ACCOUNTANT'S**  
**COMPILATION REPORT**  
**AND FINANCIAL STATEMENTS**

**October 31, 2019**

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# Hearthstone CPA Group

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## **ACCOUNTANT'S COMPILATION REPORT**

To the Board of Commissioners  
Port of Kingston  
Kingston, WA

Management is responsible for the accompanying financial statements of the Port of Kingston (a special purpose district), which comprise the balance sheet as of October 31, 2019, and the related statement of operations for the month and period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Port's financial position, results of operation, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying supplementary information contained in Schedule I, II and the budgeted amounts on pages 4 through 7 are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The Supplementary information was not subject to our compilation engagement. We do not express an opinion, a conclusion, nor provide any assurance on such information.

*Hearthstone CPA Group*

HEARTHSTONE CPA GROUP  
Bremerton, WA  
December 5, 2019

**PORT OF KINGSTON**  
**BALANCE SHEET**  
**October 31, 2019**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents		
Cash on hand	\$	475.00
Cash - operating accounts		998,389.77
Investments		
Capital Projects Fund		823,227.48
General fund investments		28,926.92
Accounts receivable		
Accounts receivable		13,359.81
Less: allowance for doubtful accounts/corrections		(5,732.03)
Accounts receivable - taxes		5,820.42
Inventory		
Gas and diesel inventory		57,097.52
Retail inventory		3,091.61
Other current assets		
Prepaid insurance		<u>80,189.17</u>
<b>Total Current Assets</b>		<u><u>2,004,845.67</u></u>

**CAPITAL ASSETS**

Land		2,307,509.74
Building and structures		8,111,594.56
Machinery and equipment		424,369.97
Other Improvements		3,099,525.79
Less: accumulated depreciation		<u>(5,218,851.90)</u>
<b>Total Capital Assets, Net</b>		<u><u>8,724,148.16</u></u>

<b>TOTAL ASSETS</b>		<u><u>\$ 10,728,993.83</u></u>
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**PORT OF KINGSTON**  
**BALANCE SHEET**  
**October 31, 2019**

**LIABILITIES AND EQUITY**

**CURRENT LIABILITIES**

Accounts payable		
Accounts payable - trade	\$	178,247.17
Kitsap Bank credit card		(1,361.95)
Accrued expenses		
Pension payable		9,673.68
Deferred comp		1,020.50
Leasehold taxes payable		8,982.48
Sales/B&O taxes payable		10,492.91
Payroll taxes payable		8,991.13
Other current liabilities		
Tenant deposits		51,708.91
Environmental liabilities		87,000.00
G.O. bonds payable - due in 1 year or less		58,500.00
Kitsap Transit prepaid rent - due in 1 year or less		24,373.44
		<u>437,628.27</u>
<b>Total Current Liabilities</b>		<u>437,628.27</u>

**LONG TERM LIABILITIES**

G.O. Bonds payable		850,000.00
Kitsap Transit prepaid rent		1,252,629.04
		<u>2,102,629.04</u>
<b>Total Long Term Liabilities</b>		<u>2,102,629.04</u>

<b>TOTAL LIABILITIES</b>		<u>2,540,257.31</u>
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**EQUITY**

Contributed capital and unreserved retained earnings		8,199,223.49
Current year net loss		(10,486.97)
		<u>8,188,736.52</u>
<b>Total Equity</b>		<u>8,188,736.52</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	\$	<u><u>10,728,993.83</u></u>