

**The Corporation of the Township of
Tarbutt and Tarbutt Additional
Consolidated Financial Statements
For the year ended December 31, 2014**

**The Corporation of the Township of Tarbutt
and Tarbutt Additional
Consolidated Financial Statements
For the year ended December 31, 2014**

Contents

Auditors' Report	1
Consolidated Financial Statements	
Consolidated Statement of Financial Position	2
Consolidated Statement of Operations	3
Consolidated Statement of Change in Net Financial Assets	4
Consolidated Statement of Cash Flow	5
Notes to Consolidated Financial Statements	6 - 15
Schedules to Consolidated Financial Statements	16 - 18
Trust Funds Auditors' Report	19
Statement of Financial Position	20
Statement of Continuity	21
Summary of Significant Accounting Policies	22



Independent Auditors' Report

To the Mayor and Council of The Corporation of the Township of Tarbutt and Tarbutt Additional:

Report on the consolidated Financial Statements

I have audited the accompanying consolidated financial statements of The Corporation of the Township of Tarbutt and Tarbutt Additional, which comprise the statement of financial position as at December 31, 2014, and the statements of operations, change 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 consolidated 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

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 judgement, 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 entity'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 entity'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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of Tarbutt and Tarbutt Additional as at December 31, 2014, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Stefanizzi Professional Corporation
Chartered Professional Accountant
Sault Ste. Marie, Ontario
June 6, 2015

**The Corporation of the Township of
Tarbutt and Tarbutt Additional
Consolidated Statement of Financial Position**

As at December 31,	2014	2013
Financial Assets		
Cash (note 3)	\$ 330,902	\$ 313,444
Investments	138,460	101,268
Accounts receivable, trade and other	105,825	123,331
Inventory	5,921	1,606
	581,108	539,649
Liabilities		
Accounts payable and accrued liabilities	102,629	61,044
Deferred revenue (note 4)	42,022	71,550
Landfill site closure liability (note 5)	10,430	10,327
Municipal long-term debt (note 6)	171,618	232,190
	326,699	375,111
Net financial assets	254,409	164,538
Non-financial assets		
Tangible capital assets (schedule 1)	3,036,408	3,100,719
Accumulated surplus (note 7)	\$ 3,290,817	\$ 3,265,258

Approved on behalf of council:

_____ Mayor

_____ Clerk - Treasurer

The Corporation of the Township of Tarbutt and Tarbutt Additional Consolidated Statement of Operations

Year ended December 31, (with comparative figures for the prior year)

	Budget (Unaudited) 2014	Actual 2014	Actual 2013
Revenues			
Taxation (note 8)	\$ 831,522	\$ 839,045	\$ 803,840
Federal grants	52,652	54,697	5,585
Revenue - Provincial Grants/Funding	336,768	347,848	370,165
Revenue - Other Municipalities	37,679	51,132	41,132
Fees and user charges	49,150	53,976	61,748
Revenue - Interest	44,985	20,392	23,279
	1,352,756	1,367,090	1,305,749
Expenditures			
Current			
General government	275,305	258,212	256,611
Protection	87,651	100,085	91,030
Transportation services	252,751	526,881	490,205
Environmental services	98,675	109,504	102,930
Health services	23,670	24,698	24,448
Social and family services	281,515	281,515	285,038
Recreation and cultural services	29,769	37,296	37,764
Planning and development	4,197	3,340	5,342
	1,053,533	1,341,531	1,293,368
Annual surplus	299,223	25,559	12,381
Accumulated surplus, beginning of year	3,265,258	3,265,258	3,252,877
Accumulated surplus, end of year	\$ 3,564,481	\$ 3,290,817	\$ 3,265,258

**The Corporation of the Township of Tarbutt and Tarbutt Additional
Consolidated Statement of Change in Net Financial Assets**

Year ended December 31, (with comparative figures for the prior year)

	Budget (Unaudited) 2014	Actual 2014	Actual 2013
Annual surplus	\$ 299,223	\$ 25,559	\$ 12,381
Acquisition of tangible capital assets	(376,723)	(210,154)	(183,997)
Amortization of tangible capital assets	-	274,467	250,796
Proceeds on sale of tangible capital assets	-	-	34,120
	<u>(77,500)</u>	<u>89,872</u>	<u>113,300</u>
Net change in net financial assets	(77,500)	89,872	113,300
Net financial assets, beginning of year	(57,673)	164,537	51,237
Net financial assets, end of year	\$ (135,173)	\$ 254,409	\$ 164,537

**The Corporation of the Township of Tarbutt and Tarbutt Additional
Consolidated Statement of Cash Flow**

For the year ended December 31,	2014	2013
Cash provided by (used for):		
Operating		
Increase in accumulated surplus	\$ 25,559	\$ 12,381
Changes in non-cash operating items:		
Decrease in taxes receivable	(37,191)	3,982
Decrease (increase) in accounts receivable	17,507	(6,920)
Increase in inventory	(4,315)	(1,606)
Decrease in accounts payable	41,587	(16,110)
Increase in landfill post-closure costs	103	1,062
Increase in deferred revenue	(29,528)	23,817
	13,722	16,606
Annual depreciation	274,467	250,796
Gain on assets disposed	-	(885)
	288,189	266,517
Financing:		
Principal repayment on long-term debt	(60,572)	(60,572)
Capital transactions:		
Capital additions	(210,154)	(183,997)
Proceeds from sale of capital assets	-	35,010
Increase in cash for the year	17,463	56,958
Cash and cash equivalents, beginning of year	313,444	256,491
Cash and cash equivalents, end of year	\$ 330,902	\$ 313,444
Represented by:		
Cash and temporary investments	\$ 330,902	\$ 313,444

The Corporation of the Township of Tarbutt and Tarbutt Additional Notes to Consolidated Financial Statements

December 31, 2014

1. Summary of significant account policies

The Corporation of the Township of Tarbutt and Tarbutt Additional ("the Municipality") is a municipality in the province of Ontario, Canada. The Municipality conducts its operations in accordance with the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

Management responsibility

The consolidated financial statements of The Corporation of the Township of Tarbutt and Tarbutt Additional are the representation of management, prepared in accordance with local government accounting standards established by the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These estimates and approximations have been made using careful judgment.

Effective January 1, 2009, the The Corporation of the Township of Tarbutt and Tarbutt Additional changed its accounting and financial reporting to conform to the revised guidelines in the Public Sector Accounting Handbook on financial reporting presentation (Section PS 1200) and tangible capital accounting (Section PS 3150).

The focus on the new financial reporting presentation is on the financial position of the Municipality and the changes to the net assets. The Consolidated Statement of Financial Position reports financial and non-financial assets and liabilities of the Municipality. Financial assets are those assets which could provide resources to discharge existing liabilities or finance future operations. Municipal position represents the financial position and is the difference between assets and liabilities. This provides information about the municipality's overall future revenue requirements and its ability to finance activities and meet its obligations.

Non-consolidated entities

These consolidated statements reflect the assets, liabilities, operating revenues and expenditures, reserve funds and reserves and tangible capital assets of The Corporation of the Township of Tarbutt and Tarbutt Additional. The reporting entity is comprised of all organizations, local boards and committees accountable for the administration of the financial affairs and resources of the Municipality.

All material inter-entity transactions and balances are eliminated on consolidation.

The following local boards, joint local boards and municipal enterprises are not consolidated:

Algoma District Services Administration Board
Algoma Public Health
Algoma District Homes for the Aged

The Corporation of the Township of Tarbutt and Tarbutt Additional Notes to Consolidated Financial Statements

December 31, 2014

Revenue recognition

Revenues and expenditures are reported on the accrual basis of accounting. Expenditures are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due. Revenues are recognized as follows.

- a) Tax revenue is recognized in the calendar year to which the tax assessment applies and the assessment is known.
- b) Fines and donations are recognized when collected.

Deferred revenue

Revenue restricted by legislation, regulation or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of financial activities in the year in which it is used for the specified purpose.

Reserves and reserve funds

Certain amounts, as approved by council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

Government transfers

Government transfers include entitlements, transfers under shared cost agreements and grants. Revenue is recognized for unconditional entitlements and grants in the period received or receivable. Revenue is recognized for any conditional entitlements and grants in the period the associated expenditure is incurred. Revenue is recognized for transfers under shared service agreements in the period the costs are incurred.

Contributed goods and services

Goods and services contributed to the Township are recorded at their fair market value at the time of their occurrence.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Accounting for school board transactions

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these consolidated financial statements. As a result of the province wide reform of the tax system overlevies (underlevies) are reported on the consolidated statement of financial position as current liabilities or current assets.

The Corporation of the Township of Tarbutt and Tarbutt Additional Notes to Consolidated Financial Statements

December 31, 2014

Trust funds

Trust funds and their related operations administered by the Municipality are not consolidated, but are reported separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

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.

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 ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

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 an asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line bases over their estimated useful lives as follows:

	Useful Life - Years
Buildings	20 - 40
Equipment	12 - 15
Infrastructure	10 - 50
Vehicle and machinery	5 - 20
Waste management land	35

In the year of acquisition, capital assets are amortized at one-half the above rates.

(a) Contribution of tangible capital assets

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

(b) Interest capitalization

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

(c) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

The Corporation of the Township of Tarbutt and Tarbutt Additional Notes to Consolidated Financial Statements

December 31, 2014

(d) Threshold

The Corporation of the Township of Tarbutt and Tarbutt Additional has a capitalization threshold of \$5,000 to \$10,000 for all categories of tangible capital assets. Individual assets below the threshold are expensed, unless they are pooled, because collectively, they have significant value. The Municipality's threshold for pooled assets is \$5,000.

Amounts to be recovered

Amounts to be recovered are reported in the municipal position on the consolidated statement of financial position. The balance represents future expenditures not yet levied on the ratepayers.

Budget figures

Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements. The approved operating budget and capital budgets are reflected on the Consolidated Statement of Operations and are unaudited. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. As well, the Town does not budget activity within Reserves and Reserve Funds, with the exception being those transactions, which affect either operations or capital investments.

Comparative figures

Certain comparative figures have been reclassified to conform with the current year financial statement presentation.

2. Financial instruments

The Township's financial instruments consist of cash and temporary investments, taxes receivable, accounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Township is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value.

3. Cash and cash equivalents

	2014	2013
Unrestricted cash	\$ 238,349	\$ 222,077
Restricted cash (note 4)	42,022	71,548
Temporary investments	50,531	19,819
	<u>\$ 330,902</u>	<u>\$ 313,444</u>

Temporary investments have a market value which approximates its book value. Interest rates on temporary investments range between 0.50% and 2.60%.

The Corporation of the Township of Tarbutt and Tarbutt Additional Notes to Consolidated Financial Statements

December 31, 2014

4. Deferred revenue

A requirement of the public sector accounting principles of the Canadian Institute of Chartered Accountants is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as a provincial and municipal legislation restricts how these funds may be used. The balances in the obligatory reserve funds of the Township are summarized below:

	2014	2013
Gasoline tax	\$ 38,417	\$ 67,954
Cash in lieu of parkland	3,605	3,596
	\$ 42,022	\$ 71,550

5. Landfill site closure liability

Effective January 1, 2001 the Township adopted accounting recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants with respect to landfill site closing and post-closing costs. As a result, the consolidated statement of financial position now reflects a liability for anticipated future costs related to the closing and monitoring of the existing landfill site. The waste site closure and post closure cost liability has been estimated at \$12,551. This liability represents the estimated total expenditures required for closure and post closure care. This estimated liability was generated from external consultants who have experience with landfill construction and closure work. For purposes of the above calculation, the landfill has an estimated remaining life of 22 years. Once closed, this landfill site will be monitored for an estimated period of 10 years. A discount rate has been used that is equal to the rate available to the government long term borrowing rate. As at December 31, 2014, the landfill close and post closure costs have been financed.

**The Corporation of the Township of Tarbutt and Tarbutt Additional
Notes to Consolidated Financial Statements**

December 31, 2014

6. Municipal long-term debt

	2014	2013
Fire truck loan with interest at prime plus 0.5%, repayable in monthly principal installments of \$2,381 plus interest. Secured by bylaw.	\$ 80,951	\$ 109,523
Snow plow loan with interest at prime plus 0.5%, repayable in monthly principal installments of \$2,667 plus interest, secured by bylaw.	90,667	122,667
	171,618	232,190
Current portion	60,571	60,571
	\$ 111,047	\$ 171,619

Long-term debt principal repayments to be made during the next three years is approximately as follows:

2015	-	\$ 60,571
2016	-	\$ 60,571
2017	-	\$ 50,476

**The Corporation of the Township of Tarbutt and Tarbutt Additional
Notes to Consolidated Financial Statements**

December 31, 2014

7. Accumulated surplus

The accumulated surplus is comprised of the following:

	2014	2013
Reserves set aside for specific purposes by Council:		
- working capital	\$ 887	\$ 887
- recreation	11,199	11,199
- cemetery	3,357	3,357
	15,443	15,443
Reserve funds set aside for specific purposes by Council:		
- bridge and equipment	29,833	29,754
- fire protection	3,961	-
- garbage disposal	1,932	1,759
- office equipment	6,735	6,717
- cemetery	4,158	4,147
- roads capital	2,970	-
- health services	303	302
- general and planning	343,872	321,830
- environmental	5,680	5,664
- legal fees	11,142	11,113
	410,586	381,286
Total reserves and reserve funds	426,029	396,729
Invested in tangible capital assets	3,036,406	3,100,719
Funds to be provided from future revenues (note 14)	(171,618)	(232,190)
Accumulated surplus	\$ 3,290,817	\$ 3,265,258

8. Taxation

	2014	2013
Taxation revenue	\$ 992,115	\$ 957,029
Less: Amount levied and remitted to school boards	153,070	153,189
	\$ 839,045	\$ 803,840

The Corporation of the Township of Tarbutt and Tarbutt Additional Notes to Consolidated Financial Statements

December 31, 2014

9. Expenditures by object

	2014	2013
Salaries, wages and employee benefits	\$ 311,574	\$ 294,879
Materials	365,326	367,323
Contracted services	80,025	67,370
Rents and financial expenses	2,244	2,393
Amortization	274,467	250,789
Transfer payments	300,675	301,343
	<u>\$ 1,334,311</u>	<u>\$ 1,284,097</u>

10. Contributions to unconsolidated joint boards

The following contributions were made by the Township to these boards:

	2014	2013
Algoma District Service Administration Board	\$ 281,515	\$ 285,038
Algoma Public Health	11,588	11,305
	<u>\$ 293,103</u>	<u>\$ 296,343</u>

11. Pension agreements

The Township makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of three members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The amount contributed on behalf of Township employees in 2014 was \$15,477 (2013 - \$14,626). No pension liability for this type of plan is included in the municipality's financial statements.

12. Trust funds

Trust funds administrated by the Township amounting to \$22,188 (2013 - \$20,689) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Financial Activities".

The Corporation of the Township of Tarbutt and Tarbutt Additional Notes to Consolidated Financial Statements

December 31, 2014

13. Public Sector Salary Disclosure Act

No employee was paid an annual salary of \$100,000 or more as defined by the Public Sector Salary Disclosure Act, 1996.

14. Amounts to be recovered

The total balance of amounts to be recovered of \$(171,618) (2013 - \$(232,190)) is comprised of the following:

	2014	2013
Municipal debt:		
Fire pumper truck loan	\$ (80,951)	\$ (109,523)
Snow plow truck loan	(90,667)	(122,667)
	\$ (171,618)	\$ (232,190)

15. Segmented Information

The municipality is a diversified local government institution that provides a wide range of services to its citizens. For management reporting purposes, municipal operations and activities are organized and reported by Fund. Funds were 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 activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

General government

The administration department oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of council.

Protection

Protection is comprised of the police, fire/emergency, by-law enforcement and building inspections departments. The mandate of the police is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The fire/emergency department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishments of fires. The by-law enforcement and building inspection department ensures properties are in compliance with applicable legislation, by-laws, building standards and construction codes.

The Corporation of the Township of Tarbutt and Tarbutt Additional Notes to Consolidated Financial Statements

December 31, 2014

15. **Segmented Information continued**

Transportation

The transportation department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, winter control and street lighting.

Environmental

The environmental department provides garbage collection and waste minimization programs and facilities for solid waste disposal.

Health

Through the Algoma Health Unit, the municipality contributes to public health services and education and through the Algoma District Services Administration Board, to ambulance services. In addition, this department oversees the care and maintenance of municipal cemeteries.

Social and family

Through the Algoma District Services Administration Board, the municipality contributes to social assistance payments, child care services and social housing.

Recreation and cultural

The recreation and cultural department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as parks, arena, fitness and sports programs. It provides public services that contribute to healthy communities through partnerships, promotion, prevention, protection and enforcement. The department also contributes towards the information needs of the municipality's citizens through the provision of library services.

Planning

The planning department provides a diverse bundle of services. It manages development for business interests, environmental concerns, heritage matters and neighbourhoods through planning and community development activities. It facilitates economic development by providing services for the approval of all land development plans.

For each reported segment, revenues and expenses include both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies.

The Corporation of the Township of Tarbutt and Tarbutt Additional
Schedule of Tangible Capital Assets **Schedule 1**

Year ended December 31, 2014

	Cost				Accumulated Amortization			2014	2013
	2014 Opening Balance	Additions and Betterments	Disposals/ Transfers	2014 Closing Balance	2014 Opening Balance	2014 Amortization Expense	Accumulated Amortization on Disposals	2014 Ending Balance	Net Book Value
Land	\$ 55,755	\$ -	\$ -	\$ 55,755	\$ -	\$ -	\$ -	\$ -	\$ 55,755
Buildings	443,023	-	-	443,023	196,831	10,835	-	207,666	235,357
Equipment	111,774	-	-	111,774	19,822	10,614	-	30,436	81,338
Infrastructure	4,530,529	210,154	-	4,740,683	2,281,598	222,213	-	2,503,811	2,236,872
Vehicle and machinery	539,518	-	-	539,518	150,828	28,536	-	179,364	360,154
Waste management land	79,411	-	-	79,411	10,210	2,269	-	12,479	66,932
	\$ 5,760,010	\$ 210,154	\$ -	\$ 5,970,164	\$ 2,659,289	\$ 274,467	\$ -	\$ 2,933,756	\$ 3,036,408
									\$ 3,100,719

The Corporation of the Township of Tarbutt and Tarbutt Additional **Schedule 2**
Segment Disclosures - Service Bundle

Year ended December 31, 2014

	General Government	Protection services	Transportation services	Environmental services	Health services	Social and family services	Recreation and cultural services	Planning and development	Total
Expenditures									
Salaries and wages	\$ 178,552	\$ 7,079	\$ 84,926	\$ 29,246	\$ -	\$ -	\$ 11,771	\$ -	\$ 311,574
Materials, good and supplies	60,554	34,041	187,665	59,490	5,538	-	18,038	-	365,326
Contracted & general services	14,657	38,393	7,324	17,552	-	-	-	2,099	80,025
Rents and financial	1,003	-	-	-	-	-	-	1,241	2,244
Interest on long-term debt	-	3,443	3,778	-	-	-	-	-	7,221
Amortization expenses	3,445	17,129	243,189	3,216	-	-	7,488	-	274,467
Other	-	-	-	-	19,160	281,515	-	-	300,675
	258,211	100,085	526,882	109,504	24,698	281,515	37,297	3,340	1,341,532
Revenues									
Taxation	161,495	62,597	329,532	68,488	15,447	176,070	23,327	2,089	839,045
User charges	2,383	183	9,630	19,234	-	-	28,671	1,000	61,101
External non-tax revenues	85,950	33,315	175,382	36,450	8,221	93,707	12,415	1,112	446,552
Other	3,925	1,521	8,009	1,665	375	4,279	567	51	20,392
	253,753	97,616	522,553	125,837	24,043	274,056	64,980	4,252	1,367,090
Annual Surplus	\$ (4,458)	\$ (2,469)	\$ (4,329)	\$ 16,333	\$ (655)	\$ (7,459)	\$ 27,683	\$ 912	\$ 25,558

The Corporation of the Township of Tarbutt and Tarbutt Additional
Segment Disclosures - Service Bundle

Schedule 3

Year ended December 31, 2013

	General Government	Protection services	Transportation services	Environmental services	Health services	Social and family services	Recreation and cultural services	Planning and development	Total
Expenditures									
Salaries and wages	\$ 178,491	\$ 7,079	\$ 70,764	\$ 28,668	\$ -	\$ -	\$ 9,877	\$ -	\$ 294,879
Materials, good and supplies	59,590	37,835	188,634	52,447	8,143	-	20,674	-	367,323
Contracted & general services	14,738	26,164	3,683	18,599	-	-	-	4,186	67,370
Rents and financial	1,237	-	-	-	-	-	-	1,156	2,393
Interest on long-term debt	-	4,373	4,898	-	-	-	-	-	9,271
Amortization expenses	2,555	15,579	222,226	3,216	-	-	7,213	-	250,789
Other	-	-	-	-	16,305	285,038	-	-	301,343
	256,611	91,030	490,205	102,930	24,448	285,038	37,764	5,342	1,293,368
Revenues									
Taxation	159,486	56,576	304,667	63,972	15,195	177,154	23,471	3,320	803,841
User charges	5,559	180	5,966	37,265	-	-	26,821	500	76,291
External non-tax revenues	79,826	28,317	152,492	32,019	7,605	88,669	11,748	1,662	402,338
Other	4,619	1,638	8,823	1,853	440	5,130	680	96	23,279
	249,490	86,711	471,948	135,109	23,240	270,953	62,720	5,578	1,305,749
Annual Surplus	\$ (7,121)	\$ (4,319)	\$ (18,257)	\$ 32,179	\$ (1,208)	\$ (14,085)	\$ 24,956	\$ 236	\$ 12,381

Independent Auditors' Report

To the Mayor and Council of The Corporation of the Township of Tarbutt and Tarbutt Additional:

Report on the consolidated Financial Statements

I have audited the accompanying consolidated financial statements of The Corporation of the Township of Tarbutt and Tarbutt Additional, which comprise the statement of financial position as at December 31, 2014, and the statements of operations, change 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 consolidated 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

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 judgement, 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 entity'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 entity'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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of Tarbutt and Tarbutt Additional as at December 31, 2014, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Stefanizzi Professional Corporation
Chartered Professional Accountant, authorized to practise public accounting by
The Institute of Chartered Professional Accountants of Ontario
Sault Ste. Marie, Ontario
June 6, 2015

**The Corporation of the Township of Tarbutt and Tarbutt Additional
Trust Funds
Statement of Financial Position**

As at December 31,

	Cemetery	Actual 2014	Actual 2013
Assets			
Cash	\$ 22,190	\$ 22,190	\$ 20,689
Liabilities			
Accounts payable	1,975	1,975	1,675
Fund balance	20,215	20,215	19,014
	\$ 22,190	\$ 22,190	\$ 20,689

**The Corporation of the Township of Tarbutt and Tarbutt Additional
Trust Funds
Statement of Continuity**

Year ended December 31, (with comparative figures for the prior year)

	Perpetual Care	Actual 2014	Actual 2013
Balance, beginning of year	\$ 19,014	\$ 19,014	\$ 17,672
Revenues			
Interest earned	1	1	292
Plot sales and Monument surcharges	1,200	1,200	1,050
	1,201	1,201	1,342
Balance, end of year	\$ 20,215	\$ 20,215	\$ 19,014

**The Corporation of the Township of Tarbutt and Tarbutt Additional
Trust Funds
Summary of Significant Accounting Policies**

December 31, 2014

**Management
responsibility**

The consolidated financial statements of The Corporation of the Township of Tarbutt and Tarbutt Additional Trust Funds are the representation of management prepared in accordance with local government accounting standards established by the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations.

Basis of accounting

Revenue and expenditures are reported on the accrual 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.