

**The Corporation of the Township of
Tarbutt and Tarbutt Additional
Consolidated Financial Statements
For the year ended December 31, 2015**

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and Tarbutt Additional
Consolidated Financial Statements
For the year ended December 31, 2015**

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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 consolidated balance sheet as at December 31, 2017, and the consolidated statements of operations and accumulated surplus, 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, 2017, 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
August 4, 2016

**The Corporation of the Township of
Tarbutt and Tarbutt Additional
Consolidated Balance Sheet**

As at December 31,	2015	2014
Financial Assets		
Cash and cash equivalents (note 3)	\$ 182,703	\$ 330,902
Taxes receivable	168,521	138,460
Accounts receivable	42,587	105,715
Government remittances recoverable	47,758	110
Inventory	5,921	5,921
	447,490	581,108
Liabilities		
Accounts payable and accrued liabilities	64,487	102,629
Deferred revenue (note 4)	3,605	42,022
Landfill site closure liability (note 5)	10,535	10,430
Municipal long-term debt (note 6)	111,046	171,618
	189,673	326,699
Net financial assets	257,817	254,409
Non-financial assets		
Tangible capital assets (schedule 1)	3,097,889	3,036,408
Accumulated surplus (note 7)	\$ 3,355,706	\$ 3,290,817

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) 2015	Actual 2015	Actual 2014
Revenues			
Taxation (note 8)	\$ 863,000	\$ 863,791	\$ 839,045
Federal grants	24,053	63,277	54,697
Revenue - Provincial Grants/Funding	336,464	338,951	347,848
Revenue - Other Municipalities	47,274	47,080	51,133
Fees and user charges	41,500	83,490	53,976
Revenue - Interest	18,200	17,017	20,391
	1,330,491	1,413,606	1,367,090
Expenditures			
Current			
General government	263,569	292,452	258,212
Protection	105,319	116,906	100,085
Transportation services	212,221	462,417	526,881
Environmental services	109,476	115,436	109,504
Health services	25,999	36,058	24,698
Social and family services	283,923	283,923	281,515
Recreation and cultural services	31,803	30,152	37,296
Planning and development	7,797	11,372	3,340
	1,040,107	1,348,716	1,341,531
Annual surplus	290,384	64,890	25,559
Accumulated surplus, beginning of year	3,290,817	3,290,817	3,265,258
Accumulated surplus, end of year	\$ 3,581,201	\$ 3,355,706	\$ 3,290,817

**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) 2015	Actual 2015	Actual 2014
Annual surplus	\$ 290,384	\$ 64,890	\$ 25,559
Acquisition of tangible capital assets	(439,230)	(351,292)	(210,154)
Amortization of tangible capital assets	-	289,810	274,467
	(148,846)	3,408	89,872
Net change in net financial assets	(148,846)	3,408	89,872
Net financial assets, beginning of year	254,409	254,409	164,537
Net financial assets, end of year	\$ 105,563	\$ 257,817	\$ 254,409

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

For the year ended December 31,	2015	2014
Cash provided by (used for):		
Operating		
Increase in accumulated surplus	\$ 64,890	\$ 25,559
Changes in non-cash operating items:		
Decrease in taxes receivable	(30,060)	(37,191)
Increase in accounts receivable	15,481	17,507
Increase in inventory	-	(4,315)
Increase (decrease) in accounts payable	(38,142)	41,587
Decrease in landfill post-closure costs	104	103
Increase in deferred revenue	(38,417)	(29,528)
	(26,144)	13,722
Annual depreciation	289,810	274,467
	263,666	288,189
Financing:		
Principal repayment on long-term debt	(60,572)	(60,572)
Capital transactions:		
Capital additions	(351,292)	(210,154)
Increase (decrease) in cash for the year	(148,198)	17,463
Cash and cash equivalents, beginning of year	330,902	313,444
Cash and cash equivalents, end of year	\$ 182,703	\$ 330,902
Represented by:		
Cash	\$ 93,285	\$ 280,369
Temporary investments	\$ 89,418	\$ 50,533

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

December 31, 2015

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.

Basis of consolidation

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 Chartered Professional Accountants of Canada. 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 Balance Sheet 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

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

December 31, 2015

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.

Cash and cash equivalents

Cash and cash equivalents include bank deposits and short-term GICs that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

Inventory

Inventory is valued at the lower of cost or net realizable value.

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 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. Estimates include allowance for doubtful accounts, inventory obsolescence, environmental liabilities, useful life of assets, and accruals. Actual results could differ from management's best estimates as additional information becomes

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

December 31, 2015

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, 2015

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 Balance Sheet.

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, 2015

(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 balance sheet. 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 cash equivalents, accounts receivable, accounts payable and accrued liabilities, landfill site closure liability, and municipal long-term debt. 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

	2015	2014
Unrestricted cash	\$ 89,680	\$ 238,349
Restricted cash (note 4)	3,605	42,020
Temporary investments	89,418	50,533
	<u>\$ 182,703</u>	<u>\$ 330,902</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, 2015

4. **Deferred revenue**

A requirement of the public sector accounting principles of the Canadian Institute of Chartered Professional 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:

	2015	2014
Gasoline tax	\$ -	\$ 38,417
Cash in lieu of parkland	3,605	3,605
	\$ 3,605	\$ 42,022

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 Professional Accountants with respect to landfill site closing and post-closing costs. As a result, the consolidated balance sheet 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, 2015, 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, 2015

6. Municipal long-term debt

	2015	2014
Fire truck loan with interest at prime plus 0.5%, repayable in monthly principal installments of \$2,381 plus interest. Secured by bylaw.	\$ 52,379	\$ 80,951
Snow plow loan with interest at prime plus 0.5%, repayable in monthly principal installments of \$2,667 plus interest, secured by bylaw.	58,667	90,667
	111,046	171,618
Current portion	60,571	60,571
	\$ 50,475	\$ 111,047

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

2016	-	\$ 60,571
2017	-	\$ 50,475

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

December 31, 2015

7. Accumulated surplus

The accumulated surplus is comprised of the following:

	2015	2014
Reserves set aside for specific purposes by Council:		
- Working capital	\$ 887	\$ 887
- Recreation, Hall & Parks	11,199	11,199
- Cemetery	3,357	3,357
	15,443	15,443
Reserve funds set aside for specific purposes by Council:		
- Culvert maintenance	26,966	29,833
- Fire protection	3,966	-
- Landfill closure and post closure	1,975	1,932
- Administration capital	35	6,735
- Cemetery capital	4,163	4,158
- Roads capital	2,974	-
- Health services	303	303
- General	293,984	348,594
- Landfill capital	5,687	5,680
- Legal	11,156	11,142
- Planning and development	2,213	2,209
	353,422	410,586
Total reserves and reserve funds	368,865	426,029
Invested in tangible capital assets	3,097,887	3,036,406
Funds to be provided from future revenues (note 14)	(111,046)	(171,618)
Accumulated surplus	\$ 3,355,706	\$ 3,290,817

8. Taxation

	2015	2014
Taxation revenue	\$ 1,014,220	\$ 992,115
Less: Amount levied and remitted to school boards	150,429	153,070
	\$ 863,791	\$ 839,045

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

December 31, 2015

9. Expenditures by object

	2015	2014
Salaries, wages and employee benefits	\$ 346,297	\$ 311,574
Materials	298,695	365,325
Contracted services	100,537	80,025
Rents and financial expenses	2,196	2,244
Amortization	289,810	274,467
Transfer payments	306,413	300,675
	\$ 1,343,948	\$ 1,334,310

10. Contributions to unconsolidated joint boards

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

	2015	2014
Algoma District Service Administration Board	\$ 283,923	\$ 281,515
Algoma Public Health	12,129	11,588
	\$ 296,052	\$ 293,103

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 2015 was \$17,509 (2014 - \$15,477). 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 \$22,888 (2014 - \$22,188) have not been included in the "Consolidated Balance Sheet" 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, 2015

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 \$(111,046) (2014 - \$(171,618)) is comprised of the following:

	2015	2014
Municipal debt:		
Fire pumper truck loan	\$ (52,379)	\$ (80,951)
Snow plow truck loan	(58,667)	(90,667)
	\$ (111,046)	\$ (171,618)

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, 2015

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 1**
Schedule of Tangible Capital Assets

Year ended December 31, 2015

	Cost				Accumulated Amortization			2015	2014
	2015 Opening Balance	Additions and Betterments	Disposals/ Transfers	2015 Closing Balance	2015 Opening Balance	2015 Amortization Expense	Accumulated Amortization on Disposals	2015 Ending Balance	Net Book Value
Land	\$ 55,755	\$ -	\$ -	\$ 55,755	\$ -	\$ -	\$ -	\$ -	\$ 55,755
Buildings	443,023	129,277	-	572,300	207,666	12,031	-	219,697	352,603
Equipment	111,774	-	-	111,774	30,436	10,614	-	41,050	70,724
Infrastructure	4,740,683	222,015	-	4,962,698	2,503,811	237,475	-	2,741,286	2,221,412
Vehicle and machinery	539,518	-	-	539,518	179,365	27,421	-	206,786	332,732
Waste management land	79,411	-	-	79,411	12,479	2,269	-	14,748	64,663
	\$ 5,970,164	\$ 351,292	\$ -	\$ 6,321,456	\$ 2,933,757	\$ 289,810	\$ -	\$ 3,223,567	\$ 3,097,889
									\$ 3,036,408

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

Year ended December 31, 2015

	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	\$ 207,156	\$ 8,004	\$ 87,476	\$ 35,994	\$ -	\$ -	\$ 7,667	\$ -	\$ 346,297
Materials, good and supplies	65,031	33,241	114,861	56,997	13,568	-	14,997	-	298,695
Contracted & general services	14,622	56,279	229	19,228	-	-	-	10,179	100,537
Rents and financial	1,002	-	-	-	-	-	-	1,194	2,196
Interest on long-term debt	-	2,252	2,514	-	-	-	-	-	4,766
Amortization expenses	4,641	17,129	257,337	3,216	-	-	7,487	-	289,810
Allocations	(176,982)	19,588	77,480	19,342	6,042	47,573	5,052	1,905	-
Other	-	-	-	-	22,490	283,923	-	-	-
	115,470	136,493	539,897	134,777	42,100	331,496	35,203	13,278	1,348,714
Revenues									
Taxation	73,953	87,418	345,780	86,319	26,963	212,308	22,546	8,504	863,791
User charges	2,140	193	7,242	29,133	-	-	26,731	-	65,439
External non-tax revenues	40,013	47,298	187,086	46,703	14,589	114,871	12,199	4,601	467,360
Other	1,457	1,722	6,812	1,701	531	4,183	444	168	17,018
	117,563	136,631	546,920	163,856	42,083	331,362	61,920	13,273	1,413,608
Annual Surplus	\$ 2,093	\$ 138	\$ 7,023	\$ 29,079	\$ (17)	\$ (134)	\$ 26,717	\$ (5)	\$ 64,894

The Corporation of the Township of Tarbutt and Tarbutt Additional **Schedule 3**
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	187,664	59,490	5,538	-	18,038	-	365,325
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	-	-	-	300,675
	258,211	100,085	526,881	109,504	24,698	281,515	37,297	3,340	1,341,531
Revenues									
Taxation	161,495	62,597	329,532	68,488	15,447	176,070	23,327	2,089	839,045
User charges	5,437	183	9,630	19,234	-	-	28,671	1,000	64,155
External non-tax revenues	85,362	33,087	174,182	36,201	8,165	93,067	12,330	1,104	443,498
Other	3,925	1,521	8,008	1,664	375	4,279	567	51	20,390
	256,219	97,388	521,352	125,587	23,987	273,416	64,895	4,244	1,367,088
Annual Surplus	\$ (1,992)	\$ (2,697)	\$ (5,529)	\$ 16,083	\$ (711)	\$ (8,099)	\$ 27,598	\$ 904	\$ 25,557

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 Trust Funds, which comprise the balance sheet as at December 31, 2017, and the statements of continuity 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 Trust Funds as at December 31, 2017, 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
August 4, 2016

**The Corporation of the Township of Tarbutt and Tarbutt Additional
Trust Funds
Balance Sheet**

As at December 31,

	Cemetery	Actual 2015	Actual 2014
Assets			
Cash	\$ 22,890	\$ 22,890	\$ 22,190
Liabilities			
Accounts payable	1,975	1,975	1,975
Fund balance	20,915	20,915	20,215
	\$ 22,890	\$ 22,890	\$ 22,190

**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 2015	Actual 2014
Balance, beginning of year	\$ 20,215	\$ 20,215	\$ 19,014
Revenues			
Interest earned	500	500	1
Plot sales and Monument surcharges	200	200	1,200
	700	700	1,201
Balance, end of year	\$ 20,915	\$ 20,915	\$ 20,215

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

December 31, 2015

1. Summary of significant account policies

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 Professional 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