

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

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## CORPORATION OF THE TOWNSHIP OF CRAMAHE

For The Year Ended December 31, 2015

### MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the Township of Cramahe are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Township maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Township's assets are appropriately accounted for and adequately safeguarded.

The Township's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the Township's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the Township of Cramahe. Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditors' report.

The consolidated financial statements have been audited by Collins Barrow Kawarthas LLP in accordance with Canadian generally accepted auditing standards on behalf of the Township. Collins Barrow Kawarthas LLP has full and free access to Council.

Mayor

Date

Oct 7th, 2016

Treasurer

Date

Oct 7th, 2016

**INDEPENDENT AUDITORS' REPORT****To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Cramahe***Report on the Financial Statements*

We have audited the accompanying consolidated financial statements of the Corporation of the Township of Cramahe and its local boards, which comprise the consolidated statement of financial position as at December 31, 2015, 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 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 controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

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

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

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

*Opinion*

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Township of Cramahe and its local boards as at December 31, 2015 and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

*Collins Barrow Kawarthas LLP*Chartered Professional Accountants  
Licensed Public AccountantsPeterborough, Ontario  
September 6, 2016

**CORPORATION OF THE TOWNSHIP OF CRAMAHE****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****At December 31, 2015**

	2015	2014
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	1,622,586	1,536,848
Investments (note 3)	3,479,509	2,461,660
Accounts receivable	334,546	740,501
Taxes receivable	944,466	1,127,503
Inventory held for resale	825,717	829,216
<b>TOTAL FINANCIAL ASSETS</b>	<b>7,206,824</b>	<b>6,695,728</b>
<b>LIABILITIES</b>		
Accounts payable	1,452,738	948,419
Deferred revenue - obligatory reserve funds (note 8)	557,364	629,669
Deferred revenue - other	5,762	8,550
Long term debt (note 9)	1,477,793	1,786,406
<b>TOTAL LIABILITIES</b>	<b>3,493,657</b>	<b>3,373,044</b>
<b>NET FINANCIAL ASSETS</b>	<b>3,713,167</b>	<b>3,322,684</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 7)	23,886,012	23,934,535
Inventories of materials and supplies	83,252	-
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>23,969,264</b>	<b>23,934,535</b>
<b>ACCUMULATED SURPLUS (note 10)</b>	<b>27,682,431</b>	<b>27,257,219</b>

*The accompanying notes are an integral part of these financial statements*

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2015

	Budget 2015 \$ (unaudited)	Actual 2015 \$	Actual 2014 \$
<b>REVENUES</b>			
Property taxation	5,066,298	5,100,529	4,937,406
User charges	1,282,367	1,438,719	1,311,849
Government of Canada	1,994	4,402	475
Province of Ontario	897,537	919,252	852,843
Penalties and interest on taxes	165,000	177,847	170,307
Investment income	20,000	35,562	28,461
Donations	-	42,427	-
Sale of land held for resale	500	149,745	156,424
Contributed assets	-	5,102	53,749
Federal gas tax earned	175,846	303,639	-
Parkland fees earned	-	-	12,362
Development charges earned	75,184	-	-
<b>TOTAL REVENUES</b>	<b>7,684,726</b>	<b>8,177,224</b>	<b>7,523,876</b>
<b>EXPENSES</b>			
General government	1,026,026	1,393,915	1,024,040
Protection services	1,783,970	1,702,594	1,877,991
Transportation services	1,988,292	2,029,950	2,289,934
Environmental services	901,919	1,117,272	849,798
Health services	18,704	20,220	21,759
Recreation and cultural services	1,205,320	1,195,878	1,213,591
Planning and development	158,978	292,183	222,767
<b>TOTAL EXPENSES</b>	<b>7,083,209</b>	<b>7,752,012</b>	<b>7,499,880</b>
<b>ANNUAL SURPLUS</b>	<b>601,517</b>	<b>425,212</b>	<b>23,996</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>	<b>27,257,219</b>	<b>27,257,219</b>	<b>27,233,223</b>
<b>ACCUMULATED SURPLUS - end of year</b>	<b>27,858,736</b>	<b>27,682,431</b>	<b>27,257,219</b>

The accompanying notes are an integral part of these financial statements

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2015

	Budget 2015 \$ (unaudited)	Actual 2015 \$	Actual 2014 \$
<b>ANNUAL SURPLUS</b>	601,517	425,212	23,996
Amortization of tangible capital assets	934,256	1,122,932	934,256
Purchase of tangible capital assets	(1,523,130)	(1,069,307)	(980,574)
Gain on disposal of tangible capital assets	-	-	(5,401)
Proceeds on sale of tangible capital assets	-	-	5,401
Contributed capital assets	-	(5,102)	(53,749)
Increase in inventories of materials and supplies	-	(83,252)	-
<b>INCREASE/(DECREASE) IN NET FINANCIAL ASSETS</b>	12,643	390,483	(76,071)
<b>NET FINANCIAL ASSETS - beginning of year</b>	3,322,684	3,322,684	3,398,755
<b>NET FINANCIAL ASSETS - end of year</b>	3,335,327	3,713,167	3,322,684

*The accompanying notes are an integral part of these financial statements*

**CORPORATION OF THE TOWNSHIP OF CRAMAHE****CONSOLIDATED STATEMENT OF CASH FLOWS****For the Year Ended December 31, 2015**

	2015 \$	2014 \$
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING</b>		
Annual surplus	425,212	23,996
Decrease in accounts receivable	405,955	171,179
(Increase)/decrease in taxes receivable	183,037	(51,869)
Decrease in inventory held for resale	3,499	11,992
Increase in inventories of materials and supplies	(83,252)	-
Increase/(decrease) in accounts payable	504,319	(248,626)
Increase/(decrease) in deferred revenue - obligatory reserve funds	(72,305)	209,917
Increase/(decrease) in deferred revenue - other	(2,788)	4,611
Non-cash charges to operations		
Amortization of tangible capital assets	1,122,932	934,256
Gain on disposal of tangible capital assets	-	(5,401)
Contributed capital assets	(5,102)	(53,749)
<b>Net increase in cash from operating transactions</b>	<b>2,481,507</b>	<b>996,306</b>
<b>CAPITAL</b>		
Purchase of tangible capital assets	(1,069,307)	(980,574)
Proceeds on disposal of tangible capital assets	-	5,401
<b>Net decrease in cash from capital transactions</b>	<b>(1,069,307)</b>	<b>(975,173)</b>
<b>INVESTING</b>		
Purchase of investments	(2,024,339)	(2,028,161)
Disposal of investments	1,006,490	3,016,408
<b>Net increase/(decrease) in cash from investing transactions</b>	<b>(1,017,849)</b>	<b>988,247</b>
<b>FINANCING</b>		
Debt principal repayments	(308,613)	(297,383)
<b>INCREASE IN CASH</b>	<b>85,738</b>	<b>711,997</b>
<b>CASH - beginning of year</b>	<b>1,536,848</b>	<b>824,851</b>
<b>CASH - end of year</b>	<b>1,622,586</b>	<b>1,536,848</b>

*The accompanying notes are an integral part of these financial statements*



# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2015

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The Township of Cramahe is a lower tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

### 1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

#### (a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity.

The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Township and which are owned and controlled by the Township. These financial statements include:

- Cramahe Township Public Library Board
- East Colborne Cemetery Board
- Community Police Services Board

All interfund assets and liabilities and revenues and expenses are eliminated.

#### (b) Trust Funds

Trust funds and their related operations administered by the Township are not included in these Consolidated financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

#### (c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	10 - 50 years
Buildings and facilities	10 - 50 years
Machinery and equipment	5 - 15 years
Vehicles	7 - 20 years
Roads	10 - 40 years
Water and sewer	15 - 90 years

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

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2015

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### 1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

(e) Non-financial Assets

Tangible capital and other non-financial assets are accounted for as assets by the Township because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Township unless they are sold.

(f) 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.

(g) Deferred Revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(h) Taxation

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC) and in accordance with the provisions of the Municipal Act, 2001. The Township's Council establishes the tax rates annually, incorporating amounts to be raised for local services, and amounts the Township is required to collect on behalf of the County and School Boards. From time to time property assessments are adjusted by MPAC through the reconsideration process or by the Assessment Review Board through the appeal process. Additional assessments, referred to as supplementary and omitted assessment can also be issued by MPAC in accordance with the Assessment Act. These adjustments and additional assessments are reported in the financial statements when amounts can be reasonably determined.

The Township is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

(i) Government Funding

Government funding is recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

# **CORPORATION OF THE TOWNSHIP OF CRAMAHE**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**For the Year Ended December 31, 2015**

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### **1. SIGNIFICANT ACCOUNTING POLICIES, continued**

#### **(j) Use of Estimates**

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Township's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Township's significant estimates include:

- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates.

#### **(k) Inventory Held for Resale**

Inventory held for resale, which consists primarily of land, is stated at cost, with cost of land being the purchase price plus the cost to prepare the land for resale.

### **2. CHANGE IN ACCOUNTING POLICY**

The Township has implemented PSA section 3260 Liability for Contaminated Sites. Section 3260 requires governments to record a liability in their financial statements if they have a contaminated site that meets the requirements set out in the standard. The standard defines contamination as the introduction into air, soil, water, or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The standard generally applies to sites that are not in productive use. Sites that are in productive use are only considered contaminated if there was an unexpected event that resulted in contamination. This change has been applied retroactively without restatement of prior periods. The adoption of this standard did not have an impact on the Township's financial statements.

### **3. INVESTMENTS**

Investments are recorded at cost and include a money market fund with a book value of \$3,479,509 (2014 - \$2,458,290) and market value of \$3,468,692 (2014 - \$2,447,701). In 2014, a guaranteed investment certificate for \$3,370 with a maturity date of August 25, 2015 with an interest rate of 0.80% was also held.

### **4. PENSION AGREEMENTS**

The Township makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all permanent, full-time 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.

Contributions required on account of current service in 2015 were \$129,654 (2014 - \$130,915).

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2015

### 5. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF NORTHUMBERLAND

During 2015, requisitions were made by the County of Northumberland and School Boards requiring the Township to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	School Boards \$	County \$
Property taxes	1,811,679	3,118,450
Taxation from other governments	12,726	9,907
Amounts requisitioned and remitted	1,824,405	3,128,357

These amounts have not been included in the Consolidated Statement of Operations and Accumulated Surplus.

### 6. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2015 \$ (Unaudited)	Actual 2015 \$	Actual 2014 \$
Salaries and benefits	2,227,892	2,615,091	2,311,316
Interest charges	65,963	65,963	77,241
Materials	1,969,684	2,104,276	2,286,341
Contracted services	1,721,712	1,616,912	1,679,580
Rents and financial	19,100	6,349	13,643
External transfers	144,602	142,997	144,715
Amortization	934,256	1,122,932	934,256
Gain on disposal of tangible capital assets	-	-	(5,401)
Cost of land held for resale sold	-	77,492	58,189
	7,083,209	7,752,012	7,499,880

## CORPORATION OF THE TOWNSHIP OF CRAMAHE

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2015

#### 7. TANGIBLE CAPITAL ASSETS

The net book value of the Township's tangible capital assets are:

	2015 \$	2014 \$
General		
Land and land improvements	2,148,345	2,113,633
Buildings and facilities	2,330,771	2,498,560
Machinery and equipment	481,461	372,206
Vehicles	1,124,187	1,308,571
Infrastructure		
Roads	5,532,068	5,659,287
Water and sewer	11,267,293	11,217,511
	22,884,125	23,169,768
Assets under construction	1,001,887	764,767
	23,886,012	23,934,535

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2014 - \$Nil) and no interest capitalized (2014 - \$Nil).

The allocation of tangible capital assets by segment is as follows:

	2015 \$	2014 \$
General government	290,906	315,195
Protection services	603,852	562,409
Transportation services	7,115,034	7,083,729
Environmental services	12,091,722	12,070,510
Health services	128,579	128,579
Recreation and cultural services	3,079,139	3,197,333
Planning and development	576,780	576,780
	23,886,012	23,934,535

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2015

### 8. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the Township are summarized below:

	2015	2014
	\$	\$
Parkland	59,998	58,386
Development charges	188,660	138,828
Federal gas tax	308,706	432,455
	557,364	629,669

The continuity of deferred revenue - obligatory reserve funds is as follows:

	2015	2014
	\$	\$
Balance - beginning of year	629,669	419,752
Add amounts received:		
Development charges	48,204	35,378
Federal gas tax	175,846	180,722
Interest	6,184	5,079
Parkland fees	1,100	1,100
	231,334	222,279
Less transfer to operations:		
Parkland	-	12,362
Federal gas tax	303,639	-
	303,639	12,362
Balance - end of year	557,364	629,669

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2015

### 9. LONG TERM DEBT

- (a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2015 \$	2014 \$
Long term bank loan, due October 1, 2017, repayable in blended monthly installments of \$15,601, interest rate fixed at 3.61% per annum.	331,491	503,355
Long term loan from Community Futures, due January 1, 2017, repayable in monthly installments of \$208, interest free.	2,708	5,208
Long term bank loan, due August 4, 2019, repayable in blended semi-annual installments of \$30,637, interest rate fixed at 4.04% per annum.	224,240	274,915
Long term loan from CMHC, due November 1, 2024, repayable in blended annual installments of \$123,590, interest rate fixed at 3.99% per annum.	919,354	1,002,928
	1,477,793	1,786,406

- (b) The long term debt in (a) issued in the name of the Township have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

- (c) Interest paid during the year on long term debt amounted to \$65,963 (2014 - \$77,241).

- (d) The long term debt reported in (a) of this note is repayable as follows:

	Principal \$	Interest \$	Total \$
2016	320,323	54,252	374,575
2017	298,798	42,141	340,939
2018	151,117	33,748	184,865
2019	157,199	27,667	184,866
2020	101,631	21,959	123,590
2021 and subsequent years	448,725	45,636	494,361
	1,477,793	225,403	1,703,196

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2015

### 10. ACCUMULATED SURPLUS

(a) Accumulated surplus consists of the following:

	2015	2014
	\$	\$
<b>Surplus/(Deficit)</b>		
Township	(275,268)	-
Community Police Services Board	13,279	11,594
Area rates	15,190	3,459
East Colborne Cemetery Board	25,420	23,930
Land inventory held for resale	818,704	822,202
Colborne Creek - unfinanced	(249,118)	(321,291)
	348,207	539,894
<b>Invested In Capital Assets</b>		
Tangible capital assets - net book value	23,886,012	23,934,535
Long term debt	(1,477,793)	(1,786,406)
Unfunded capital (note 10(b))	(234,627)	(211,472)
	22,173,592	21,936,657
<b>Surplus</b>	22,521,799	22,476,551
<b>Reserves</b>		
Working funds	515,942	531,943
Sewer operations	325,767	293,605
Future capital	425,318	418,274
Waterworks operations	1,520,325	1,538,665
Community projects	1,018	1,018
Transportation services	857,989	634,265
Fire services	291,858	281,030
Workplace Safety and Insurance Board	196,065	213,731
Planning and development operations	300,725	310,678
General government operations	95,239	81,875
Library operations	19,608	14,608
Police	328,824	182,222
Animal control	11,157	11,157
Benefit stabilization	208,833	208,833
Recreation	49,781	49,581
Cemetery	6,000	3,000
<b>Total Reserves</b>	5,154,449	4,774,485
<b>Reserve Funds</b>		
Library services	6,183	6,183
	27,682,431	27,257,219



# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2015

### 10. ACCUMULATED SURPLUS, continued

(b) Unfinanced capital consists of the following:

	2015	2014
	\$	\$
Well No. 2 rehabilitation	(124,870)	(124,870)
Roads projects	(86,602)	(86,602)
Fire hall	(23,155)	-
	(234,627)	(211,472)

### 11. TRUST FUNDS

Trust funds administered by the Township amounting to \$57,199 (2014 - \$56,116) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. As such balances are held in trust by the Township for the benefit of others, they are not presented as part of the Township's financial position or operations.

### 12. CREDIT FACILITY AGREEMENT

The Township has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$500,000 a revolving line of credit. Any balance borrowed will accrue interest at the bank's prime lending rate. Council authorized the temporary borrowing limit by By-law 2015-03. At December 31, 2015 there was no balance outstanding (2014 - \$Nil).

### 13. BUDGET FIGURES

The budget, approved by the Township, for 2015 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets. 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 amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

The following is a reconciliation of the Council approved budget amounts to the PSA amounts:

	Revenue	Expenses
	\$	\$
Council approved budget:	8,959,923	8,959,523
Less: tangible capital assets capitalized	-	(1,523,130)
Add: amortization of tangible capital assets	-	934,256
Less: principal repayment of long term debt	-	(308,612)
Add: prior year street light deficit	(5,715)	-
Less: transfers to/from reserves and reserve funds	(1,104,795)	(814,141)
Less: budget items reclassified for financial statement purposes	(164,687)	(164,687)
Adjusted budget per Consolidated Statement of Operations	7,684,726	7,083,209

## **CORPORATION OF THE TOWNSHIP OF CRAMAHE**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**For the Year Ended December 31, 2015**

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#### **14. SEGMENTED INFORMATION**

The Township of Cramahe is a municipal government organization that provides a range of services to its residents. Township services are reported by function and their activities are separately disclosed in the segmented information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's net requirements.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure.

##### **General Government**

General government consists of the activities of Council and general financial and administrative management of the Township and its programs and services.

##### **Protection Services**

Protection services include police, fire, conservation authority and protective inspection and control.

##### **Transportation Services**

The activities of the transportation function includes maintenance of the Township's roads and bridges, winter control and street lighting.

##### **Environmental Services**

The environmental function is responsible for water and sewer operations and waste management services not covered by the County of Northumberland.

##### **Health Services**

The health services function includes the operation of the East Colborne cemetery.

##### **Recreation and Cultural Services**

The recreation and cultural services function provides indoor and outdoor recreational facilities, recreation programs and library services.

##### **Planning and Development**

The planning and development services function includes commercial, industrial and residential development within the Township.

#### **15. COMPARATIVE FIGURES**

Certain comparative figures were restated, where required, to conform with the current year presentation.

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2015

	General			Infrastructure			Totals
	Land and land improvements	Buildings and facilities	Machinery and equipment	Vehicles	Roads	Water and sewer	
	\$	\$	\$	\$	\$	\$	\$
<b>COST</b>							
Balance, beginning of year	2,527,317	5,124,427	613,933	3,249,881	12,637,993	12,949,089	37,867,407
Add: additions during the year	48,366	-	177,159	-	318,627	-	1,074,409
Less: disposals during the year	-	-	35,666	-	84,519	-	120,185
Internal transfers	-	-	-	-	-	293,137	(293,137)
Balance, end of year	2,575,683	5,124,427	755,426	3,249,881	12,872,101	13,242,226	38,821,631
<b>ACCUMULATED AMORTIZATION</b>							
Balance, beginning of year	413,684	2,625,867	241,727	1,941,310	6,978,706	1,731,578	13,932,872
Add: additions during the year	13,654	167,789	67,904	184,384	445,846	243,355	1,122,932
Less: disposals during the year	-	-	35,666	-	84,519	-	120,185
Balance, end of year	427,338	2,793,656	273,965	2,125,694	7,340,033	1,974,933	14,935,619
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>							
	2,148,345	2,330,771	481,461	1,124,187	5,532,068	11,267,293	23,886,012

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2015

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
<b>Revenues</b>								
Property taxation	575,676	1,795,489	1,363,373	-	18,704	1,160,254	187,033	5,100,529
User charges	28,494	73,003	6,180	1,121,615	1,845	194,299	13,283	1,438,719
Government transfers - operating	668,781	29,728	109,248	42,682	-	45,415	2,800	898,654
Government transfers - capital	-	-	25,000	-	-	-	-	25,000
Penalties and interest on taxes	177,847	-	-	-	-	-	-	177,847
Investment income	35,562	-	-	-	-	-	-	35,562
Donations	37,427	-	-	-	-	5,000	-	42,427
Sale of land held for resale	-	-	-	-	-	-	149,745	149,745
Contributed assets	5,102	-	-	-	-	-	-	5,102
Federal gas tax earned	15,000	-	288,639	-	-	-	-	303,639
<b>Total revenues</b>	<b>1,543,889</b>	<b>1,898,220</b>	<b>1,792,440</b>	<b>1,164,297</b>	<b>20,549</b>	<b>1,404,968</b>	<b>352,861</b>	<b>8,177,224</b>
<b>Expenses</b>								
Salaries and benefits	862,262	456,016	618,244	90,325	-	531,734	56,510	2,615,091
Interest charges	-	-	-	40,017	-	15,346	10,600	65,963
Materials	407,344	194,950	581,199	417,488	12,766	405,105	85,424	2,104,276
Contracted services	96,918	927,254	227,307	317,309	-	18,490	29,634	1,616,912
Rents and financial	6,001	-	-	348	-	-	-	6,349
External transfers	-	64,637	9,733	-	7,454	28,650	32,523	142,997
Amortization	29,390	59,737	593,467	243,785	-	196,553	-	1,122,932
Internal transfers	(8,000)	-	-	8,000	-	-	-	-
Cost of land held for resale sold	-	-	-	-	-	-	77,492	77,492
<b>Total expenses</b>	<b>1,393,915</b>	<b>1,702,594</b>	<b>2,029,950</b>	<b>1,117,272</b>	<b>20,220</b>	<b>1,195,878</b>	<b>292,183</b>	<b>7,752,012</b>
<b>Net surplus/(deficit)</b>	<b>149,974</b>	<b>195,626</b>	<b>(237,510)</b>	<b>47,025</b>	<b>329</b>	<b>209,090</b>	<b>60,678</b>	<b>425,212</b>

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2014

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
<b>Revenues</b>								
Property taxation	160,830	1,785,931	1,789,375	22,000	21,752	972,419	185,099	4,937,406
User charges	49,532	91,301	4,967	960,576	2,140	189,583	13,750	1,311,849
Government transfers - operating	660,553	37,455	107,393	27,897	-	20,020	-	853,318
Penalties and interest on taxes	170,307	-	-	-	-	-	-	170,307
Investment income	28,461	-	-	-	-	-	-	28,461
Sale of land held for resale	-	-	-	-	-	-	156,424	156,424
Contributed assets	53,749	-	-	-	-	-	-	53,749
Parkland fees earned	-	-	-	-	-	12,362	-	12,362
<b>Total revenues</b>	<b>1,123,432</b>	<b>1,914,687</b>	<b>1,901,735</b>	<b>1,010,473</b>	<b>23,892</b>	<b>1,194,384</b>	<b>355,273</b>	<b>7,523,876</b>
<b>Expenses</b>								
Salaries and benefits	590,798	392,470	681,036	91,676	-	500,794	54,542	2,311,316
Interest charges	-	-	-	43,223	-	21,431	12,587	77,241
Materials	365,765	232,502	872,727	326,393	12,657	425,926	50,371	2,286,341
Contracted services	49,087	1,127,919	178,018	270,706	-	37,470	16,380	1,679,580
Rents and financial	5,781	-	-	7,862	-	-	-	13,643
External transfers	-	62,716	13,249	-	9,102	28,950	30,698	144,715
Amortization	17,359	62,384	548,226	105,188	-	201,099	-	934,256
Loss on disposal of tangible capital assets	-	-	(3,322)	-	-	(2,079)	-	(5,401)
Internal transfers	(4,750)	-	-	4,750	-	-	-	-
Cost of land held for resale sold	-	-	-	-	-	-	58,189	58,189
<b>Total expenses</b>	<b>1,024,040</b>	<b>1,877,991</b>	<b>2,289,934</b>	<b>849,798</b>	<b>21,759</b>	<b>1,213,591</b>	<b>222,767</b>	<b>7,499,880</b>
<b>Net surplus/(deficit)</b>	<b>99,392</b>	<b>36,696</b>	<b>(388,199)</b>	<b>160,675</b>	<b>2,133</b>	<b>(19,207)</b>	<b>132,506</b>	<b>23,996</b>

**INDEPENDENT AUDITORS' REPORT****To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Cramahe***Report on the Financial Statements*

We have audited the accompanying financial statements of the Trust Funds of the Corporation of the Township of Cramahe, which comprise the statement of financial position as at December 31, 2015, the statement of continuity for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

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

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

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

*Opinion*

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Trust Funds of the Corporation of the Township of Cramahe as at December 31, 2015 and the continuity of the Trust Funds for the year then ended in accordance with Canadian Public Sector Accounting Standards.

***Collins Barrow Kawarthas LLP***

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
September 6, 2016

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## TRUST FUNDS STATEMENT OF FINANCIAL POSITION At December 31, 2015

	Cemetery Perpetual Care \$	Forestry Program \$	2015 Total \$	2014 Total \$
<b>FINANCIAL ASSETS</b>				
Investments (note 2)	46,262	10,453	56,715	55,818
Accounts receivable	400	84	484	298
	46,662	10,537	57,199	56,116
<b>FUND BALANCES</b>				
Capital	39,741	10,537	50,278	50,130
Income	6,921	-	6,921	5,986
	46,662	10,537	57,199	56,116

*The accompanying notes are an integral part of these financial statements*

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## TRUST FUNDS STATEMENT OF CONTINUITY For the Year Ended December 31, 2015

	Cemetery Perpetual Care \$	Forestry Program \$	2015 Total \$	2014 Total \$
<b>BALANCES - beginning of year</b>	45,705	10,411	56,116	55,624
<b>RECEIPTS</b>				
Investment income	1,947	126	2,073	1,624
<b>EXPENSES</b>				
Administration fee	622	-	622	622
Transfer to operations	368	-	368	510
	990	-	990	1,132
<b>BALANCES - end of year</b>	46,662	10,537	57,199	56,116

*The accompanying notes are an integral part of these financial statements*



# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## TRUST FUNDS

### NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2015

#### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

(a) Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenses 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.

(b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on the Township's best information and judgment. Actual results could differ from these estimates.

#### 2. INVESTMENTS

Included in investments are the following investments recorded at cost:

	Market Value \$	2015 Cost \$	2014 Cost \$
Scotiabank Bond Common Trust Fund	46,491	46,262	45,500
1 year GIC maturing January 13, 2016, interest at 0.8%	10,537	10,453	-
1 year GIC maturing January 13, 2015, interest at 1.55%	-	-	10,318
	57,028	56,715	55,818

#### 3. CEMETERY PERPETUAL CARE

The Perpetual Care Fund administered by the Board is funded by the sale of cemetery plots. These funds are invested and earnings derived there from are used to perform perpetual care maintenance to the Board's cemeteries. The operations and investments of the Fund are undertaken by the Board in accordance with the regulations of the Cemeteries Act.

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**  
**CRAMAHE TOWNSHIP PUBLIC LIBRARY BOARD**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**INDEPENDENT AUDITORS' REPORT****To the Members of the Cramahe Township Public Library Board, the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Cramahe**

T: 705.742.3418

F: 705.742.9775

[www.collinsbarrowkawarthas.com](http://www.collinsbarrowkawarthas.com)*Report on the Financial Statements*

We have audited the accompanying financial statements of the Cramahe Township Public Library Board of the Corporation of the Township of Cramahe, which comprise the statement of financial position as at December 31, 2015, the 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 Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

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

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

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

*Basis for Qualified Opinion*

The Board derives revenue from donations, fees and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Board and we were not able to determine whether any adjustments might be necessary to donations and fundraising revenues, assets and fund balances.

*Qualified Opinion*

Except as noted in the above paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of the Cramahe Township Public Library Board as at December 31, 2015 and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

***Collins Barrow Kawarthas LLP***Chartered Professional Accountants  
Licensed Public AccountantsPeterborough, Ontario  
September 6, 2016

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**

**CRAMAHE TOWNSHIP PUBLIC LIBRARY BOARD  
STATEMENT OF FINANCIAL POSITION  
At December 31, 2015**

	2015 \$	2014 \$
<b>FINANCIAL ASSETS</b>		
Cash	60,268	80,118
Investments	-	3,370
Accounts receivable	1,226	-
<b>TOTAL FINANCIAL ASSETS</b>	<b>61,494</b>	<b>83,488</b>
<b>LIABILITIES</b>		
Due to Township	31,435	56,464
Deferred revenue	4,268	6,233
<b>TOTAL LIABILITIES</b>	<b>35,703</b>	<b>62,697</b>
<b>NET FINANCIAL ASSETS</b>	<b>25,791</b>	<b>20,791</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 2)	125,570	123,892
<b>ACCUMULATED SURPLUS (note 3)</b>	<b>151,361</b>	<b>144,683</b>

*The accompanying notes are an integral part of these financial statements*

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## CRAMAHE TOWNSHIP PUBLIC LIBRARY BOARD STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2015

	Budget 2015 \$ (unaudited)	Actual 2015 \$	Actual 2014 \$
<b>REVENUES</b>			
Municipal contributions	176,607	187,486	173,458
Provincial grants	34,793	44,094	19,516
Donations, fees and fundraising	3,800	7,841	8,784
Other income	2,394	1,937	753
<b>TOTAL REVENUES</b>	<b>217,594</b>	<b>241,358</b>	<b>202,511</b>
<b>EXPENSES</b>			
Salaries and benefits	135,350	143,782	114,568
Supplies	6,000	6,357	6,820
Maintenance and utilities	29,570	28,941	27,822
Professional fees	11,753	9,703	8,123
Office and administration	8,750	8,764	8,184
Equipment and furnishings	2,900	3,717	2,144
Amortization	33,659	33,416	33,659
<b>TOTAL EXPENSES</b>	<b>227,982</b>	<b>234,680</b>	<b>201,320</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(10,388)</b>	<b>6,678</b>	<b>1,191</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>	<b>144,683</b>	<b>144,683</b>	<b>143,492</b>
<b>ACCUMULATED SURPLUS - end of year</b>	<b>134,295</b>	<b>151,361</b>	<b>144,683</b>

*The accompanying notes are an integral part of these financial statements*

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**

**CRAMAHE TOWNSHIP PUBLIC LIBRARY BOARD  
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
For the Year Ended December 31, 2015**

	Budget 2015 \$ (unaudited)	Actual 2015 \$	Actual 2014 \$
<b>ANNUAL SURPLUS/(DEFICIT)</b>	(10,388)	6,678	1,191
Amortization of tangible capital assets	33,659	33,416	33,659
Acquisition of tangible capital assets	(34,452)	(35,094)	(32,805)
<b>INCREASE/(DECREASE) IN NET FINANCIAL ASSETS</b>	(11,181)	5,000	2,045
<b>NET FINANCIAL ASSETS - beginning of year</b>	20,791	20,791	18,746
<b>NET FINANCIAL ASSETS - end of year</b>	9,610	25,791	20,791

*The accompanying notes are an integral part of these financial statements*

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**

**CRAMAHE TOWNSHIP PUBLIC LIBRARY BOARD  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2015**

	2015 \$	2014 \$
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING</b>		
Annual surplus	6,678	1,191
(Increase)/decrease in accounts receivable	(1,226)	2,482
Decrease in due to Township	(25,029)	(3,616)
Increase/(decrease) in deferred revenue	(1,965)	6,233
Non-cash charges to operations		
Amortization of tangible capital assets	33,416	33,659
Net increase in cash from operating transactions	11,874	39,949
<b>CAPITAL</b>		
Acquisition of tangible capital assets	(35,094)	(32,805)
<b>INVESTING</b>		
Purchase of investments	-	(26)
Disposal of investments	3,370	-
Net increase/(decrease) in cash from investing transactions	3,370	(26)
<b>INCREASE/(DECREASE) IN CASH</b>	<b>(19,850)</b>	<b>7,118</b>
<b>CASH - beginning of year</b>	<b>80,118</b>	<b>73,000</b>
<b>CASH - end of year</b>	<b>60,268</b>	<b>80,118</b>

*The accompanying notes are an integral part of these financial statements*

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## CRAMAHE TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2015

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### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies adopted by the Board are as follows:

#### (a) Recognition of Revenue and Expenses

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the period in which the transactions of events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

#### (b) Use of Estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Board's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Board's significant estimates include:

- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates.

#### (c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Books and periodicals	7 years
-----------------------	---------

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

#### (d) Deferred revenue

Deferred revenue represents a grant which has been received, but for which the related services have yet to be performed. This amount will be recognized as revenue in the fiscal year the service is performed.

#### (e) Non-Financial Assets

Tangible capital assets and other non-financial assets are accounted for as assets by the Board because they can be used to provide services in future periods. These assets do not normally provide resources to discharge the liabilities of the Board unless they are sold.

#### (f) Government Funding

Government funding is recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.



## CORPORATION OF THE TOWNSHIP OF CRAMAHE

### CRAMAHE TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2015

#### 2. TANGIBLE CAPITAL ASSETS

The net book value of the Board's tangible capital assets are:

	2015 Books and Periodicals \$	2014 Books and Periodicals \$
<b>COST</b>		
Balance, beginning of year	246,080	245,178
Add: additions during the year	35,094	32,805
Less: disposals during the year	35,666	31,903
Balance, end of year	245,508	246,080
<b>ACCUMULATED AMORTIZATION</b>		
Balance, beginning of year	122,188	120,432
Add: additions during the year	33,416	33,659
Less: disposals during the year	35,666	31,903
Balance, end of year	119,938	122,188
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>125,570</b>	<b>123,892</b>

#### 3. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2015 \$	2014 \$
<b>Invested In Capital Assets</b>		
Tangible capital assets - net book value	125,570	123,892
<b>Surplus</b>	<b>125,570</b>	<b>123,892</b>
<b>Reserves</b>		
Operations	19,608	14,608
<b>Reserve Funds</b>		
Literacy enhancements	6,183	6,183
	<b>151,361</b>	<b>144,683</b>

## **CORPORATION OF THE TOWNSHIP OF CRAMAHE**

### **CRAMAHE TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2015**

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#### **4. BUDGET FIGURES**

The budget, approved by the Board, for 2015 is reflected on the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets. 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 amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

#### **5. COMPARATIVE FIGURES**

Certain comparative figures were restated, where required, to conform with the current year presentation.

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**  
**EAST COLBORNE CEMETERY BOARD**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**INDEPENDENT AUDITORS' REPORT****To the Members of the East Colborne Cemetery Board, the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Cramahe***Report on the Financial Statements*

We have audited the accompanying financial statements of the East Colborne Cemetery Board of the Corporation of the Township of Cramahe, which comprise the statement of financial position as at December 31, 2015, the 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 Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

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

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

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

*Opinion*

In our opinion, these financial statements present fairly, in all material respects, the financial position of the East Colborne Cemetery Board as at December 31, 2015 and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

***Collins Barrow Kawarthas LLP***

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
September 6, 2016

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**

**EAST COLBORNE CEMETERY BOARD  
STATEMENT OF FINANCIAL POSITION  
At December 31, 2015**

	2015 \$	2014 \$
<b>FINANCIAL ASSETS</b>		
Cash	24,070	24,230
Due from Township	1,650	-
<b>TOTAL FINANCIAL ASSETS</b>	25,720	24,230
<b>LIABILITIES</b>		
Due to perpetual care trust	300	300
<b>NET FINANCIAL ASSETS</b>	25,420	23,930
<b>ACCUMULATED SURPLUS (note 2)</b>	25,420	23,930

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*The accompanying notes are an integral part of these financial statements*

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**

**EAST COLBORNE CEMETERY BOARD  
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
For the Year Ended December 31, 2015**

	2015	2014
	\$	\$
<b>REVENUES</b>		
Township contribution	3,492	9,473
Decoration day receipts and donations	295	2,040
Internment rights and sale of monuments	1,550	100
Investment income	290	319
<b>TOTAL REVENUES</b>	<b>5,627</b>	<b>11,932</b>
<b>EXPENSES</b>		
Administration	992	991
Maintenance	3,145	10,439
<b>TOTAL EXPENSES</b>	<b>4,137</b>	<b>11,430</b>
<b>ANNUAL SURPLUS</b>	<b>1,490</b>	<b>502</b>
<b>ACCUMULATED SURPLUS - beginning of year</b>	<b>23,930</b>	<b>23,428</b>
<b>ACCUMULATED SURPLUS - end of year</b>	<b>25,420</b>	<b>23,930</b>

*The accompanying notes are an integral part of these financial statements*

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**

**EAST COLBORNE CEMETERY BOARD  
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
For the Year Ended December 31, 2015**

	2015 \$	2014 \$
<b>ANNUAL SURPLUS</b>	1,490	502
<b>NET FINANCIAL ASSETS - beginning of year</b>	23,930	23,428
<b>NET FINANCIAL ASSETS - end of year</b>	25,420	23,930

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*The accompanying notes are an integral part of these financial statements*

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**

**EAST COLBORNE CEMETERY BOARD  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2015**

	2015 \$	2014 \$
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING</b>		
Annual surplus	1,490	502
Increase in due from Township	(1,650)	-
<u>Net increase/(decrease) in cash from operating transactions</u>	<u>(160)</u>	<u>502</u>
<b>INCREASE/(DECREASE) IN CASH</b>	<b>(160)</b>	<b>502</b>
<b>CASH - beginning of year</b>	<b>24,230</b>	<b>23,728</b>
<b>CASH - end of year</b>	<b>24,070</b>	<b>24,230</b>

*The accompanying notes are an integral part of these financial statements*



# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## EAST COLBORNE CEMETERY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2015

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### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Recognition of Revenue and Expenses

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the period in which the transactions of events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

(b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on the Board's best information and judgment. Actual results could differ from these estimates.

### 2. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2015	2014
	\$	\$
<b>Surplus</b>		
Operating surplus	25,420	23,930
	25,420	23,930

### 3. TRUST FUND

Trust funds administered by the Board amounting to \$24,135 (2014 - \$23,578) have not been included in the Statement of Financial Position nor have their operations been included in the Statement of Operations and Accumulated Surplus. As such balances are held in trust by the Board for the benefit of others, they are not presented as part of the Board's financial position or operations.

**INDEPENDENT AUDITORS' REPORT****To the Members of the East Colborne Cemetery Board, the  
Members of Council, Inhabitants and Ratepayers of the  
Corporation of the Township of Cramahe***Report on the Financial Statements*

We have audited the accompanying financial statements of the East Colborne Cemetery Board Trust Funds of the Corporation of the Township of Cramahe, which comprise the statement of financial position as at December 31, 2015, the statement of continuity for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

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

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

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

*Opinion*

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Trust Funds of the East Colborne Cemetery Board as at December 31, 2015 and the continuity of the Trust Funds for the year then ended in accordance with Canadian Public Sector Accounting Standards.

***Collins Barrow Kawarthas LLP***

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
September 6, 2016

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**

**PERPETUAL CARE CEMETERY BOARD TRUST FUNDS**

**STATEMENT OF FINANCIAL POSITION**

**At December 31, 2015**

	2015	2014
	\$	\$
<b>FINANCIAL ASSETS</b>		
Investments (note 2)	23,835	23,278
Due from Cemetery Board	300	300
	24,135	23,578
<b>FUND BALANCES</b>		
Capital	17,214	17,496
Income	6,921	6,082
	24,135	23,578

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*The accompanying notes are an integral part of these financial statements*

**CORPORATION OF THE TOWNSHIP OF CRAMAHE**

**PERPETUAL CARE CEMETERY BOARD TRUST FUNDS**

**STATEMENT OF CONTINUITY**

**For the Year Ended December 31, 2015**

	2015	2014
	\$	\$
<b>BALANCE - beginning of year</b>	23,578	23,278
<b>RECEIPTS</b>		
Investment income	1,062	873
<b>EXPENSES</b>		
Administration fee	283	283
Transfer to operations	222	290
	505	573
<b>BALANCE - end of year</b>	24,135	23,578

*The accompanying notes are an integral part of these financial statements*

# CORPORATION OF THE TOWNSHIP OF CRAMAHE

## PERPETUAL CARE CEMETERY BOARD TRUST FUNDS

### NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2015

#### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

##### (a) Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenses 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.

##### (b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on the Board's best information and judgment. Actual results could differ from these estimates.

#### 2. INVESTMENTS

The investments held in the trust at the end of the year at cost are as follows:

	Market Value \$	2015 Cost \$	2014 Cost \$
Scotiastart Bond Common Trust Fund	23,751	23,835	23,278

#### 3. CEMETERY PERPETUAL CARE

The Perpetual Care Fund administered by the Board is funded by the sale of cemetery plots. These funds are invested and earnings derived there from are used to perform perpetual care maintenance to the Board's cemeteries. The operations and investments of the Fund are undertaken by the Board in accordance with the regulations of the Cemeteries Act.