

**CORPORATION OF THE
TOWNSHIP OF LIMERICK**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2012

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TOWNSHIP OF LIMERICK**

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CORPORATION OF THE TOWNSHIP OF LIMERICK

CORPORATION OF THE TOWNSHIP OF LIMERICK

For The Year Ended December 31, 2012

MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the Township of Limerick 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 Limerick. 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.

Reeve

Date

July 9/2013

Clerk-Treasurer

Date

July 9/2013

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

We have audited the accompanying consolidated financial statements of the Corporation of the Township of Limerick, which comprise the consolidated statement of financial position as at December 31, 2012, 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 Township of Limerick as at December 31, 2012 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 Accountants
Licensed Public AccountantsPeterborough, Ontario
September 26, 2013

CORPORATION OF THE TOWNSHIP OF LIMERICK

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2012

	2012	2011
	\$	\$
FINANCIAL ASSETS		
Cash	472,173	511,017
Taxes receivable	304,901	213,006
Accounts receivable	61,977	142,292
TOTAL FINANCIAL ASSETS	839,051	866,315
LIABILITIES		
Accounts payable	61,139	105,691
Deferred revenue - obligatory reserve funds (note 4)	9,466	31,878
Long term debt (note 5)	241,116	333,264
Landfill closure and post-closure liability (note 8)	247,713	266,799
TOTAL LIABILITIES	559,434	737,632
NET FINANCIAL ASSETS	279,617	128,683
NON-FINANCIAL ASSETS		
Tangible capital assets (note 3)	2,172,275	2,158,624
ACCUMULATED SURPLUS (note 7)	2,451,892	2,287,307

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF LIMERICK

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2012

	Budget 2012 \$	Actual 2012 \$	Actual 2011 \$
REVENUES			
Property taxation	722,846	772,559	642,083
User charges	31,500	39,893	29,388
Government of Canada	-	-	4,971
Province of Ontario	193,400	193,400	215,050
Other municipalities	29,500	34,166	29,515
Penalties and interest on taxes	25,000	30,611	29,147
Investment income	-	7,332	3,136
Federal gas tax revenue earned	22,331	46,384	-
TOTAL REVENUES	1,024,577	1,124,345	953,290
EXPENSES			
General government	203,568	208,566	189,406
Protection services	231,889	207,532	183,009
Transportation services	482,900	471,529	427,005
Environmental services	60,165	29,068	70,269
Health services	1,650	2,025	3,076
Recreation and cultural services	40,780	36,954	39,882
Planning and development	20,000	4,086	3,731
TOTAL EXPENSES	1,040,952	959,760	916,378
ANNUAL SURPLUS/(DEFICIT)	(16,375)	164,585	36,912
ACCUMULATED SURPLUS - beginning of year	2,287,307	2,287,307	2,250,395
ACCUMULATED SURPLUS - end of year	2,270,932	2,451,892	2,287,307

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF LIMERICK

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2012

	Budget 2012 \$	Actual 2012 \$	Actual 2011 \$
ANNUAL SURPLUS/(DEFICIT)	(16,375)	164,585	36,912
Amortization of tangible capital assets	165,864	172,239	165,864
Acquisition of tangible capital assets	(130,000)	(185,890)	(88,907)
INCREASE IN NET FINANCIAL ASSETS	19,489	150,934	113,869
NET FINANCIAL ASSETS - beginning of year	128,683	128,683	14,814
NET FINANCIAL ASSETS - end of year	148,172	279,617	128,683

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF LIMERICK

CONSOLIDATED STATEMENT OF CASH FLOWS For the Year Ended December 31, 2012

	2012	2011
	\$	\$
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Annual surplus/(deficit)	164,585	36,912
Increase in taxes receivable	(91,895)	(8,147)
Decrease in accounts receivable	80,315	177,498
Decrease in accounts payable	(44,552)	(316,090)
Increase/(decrease) in deferred revenue - obligatory reserve funds	(22,412)	22,332
Non-cash charges to operations		
Amortization of tangible capital assets	172,239	165,864
Increase/(decrease) in landfill closure and post-closure liability	(19,086)	21,842
Net increase in cash from operating transactions	239,194	100,211
CAPITAL		
Acquisition of tangible capital assets	(185,890)	(88,907)
FINANCING		
Long term debt issued	-	154,941
Debt principal repayments	(92,148)	(58,906)
Net increase/(decrease) in cash from financing transactions	(92,148)	96,035
INCREASE/(DECREASE) IN CASH	(38,844)	107,339
CASH - beginning of year	511,017	403,678
CASH - end of year	472,173	511,017

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2012

The Township of Limerick 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 Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. 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 Township of Limerick.

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	20 years
Buildings	40 - 50 years
Roadways	10 - 20 years
Machinery and equipment	4 - 20 years
Vehicles	5 - 10 years
Computer software and hardware	4 - 10 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) 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.

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(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 and 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 processed by the Township upon receipt and recognized in the fiscal year they are determined. All property taxes are secured by the land and pose no significant collection risk.

(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.

(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. Such amounts are not expected to change materially in the near term.

- The amounts recorded for landfill closure and post-closure care depend on estimates of usage, remaining life and capacity. The provision for future closure and post-closure costs also depends on estimates of such costs.
- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates. 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.

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(k) Financial Instruments

The Township's financial instruments consist of cash, taxes receivable, accounts receivable, accounts payable and long term debt. Unless otherwise noted, it is management's opinion that the carrying value of the financial instruments, except for long term debt, approximates their fair values and that the Township does not have any significant concentration of currency, interest or credit risk. The Township has long term debt which are at a variable rate of interest and as such represents an interest rate risk to the Township should interest rates fluctuate.

2. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF HASTINGS

During 2012, requisitions were made by the County of Hastings 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 \$
Amounts requisitioned and remitted	270,412	345,460

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

3. TANGIBLE CAPITAL ASSETS

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

	2012 \$	2011 \$
General		
Land	55,295	55,295
Land improvements	11,364	12,122
Buildings	198,023	208,716
Machinery and equipment	177,717	201,093
Vehicles	207,074	247,415
Infrastructure		
Roads	869,493	766,504
Bridges	653,309	667,479
	2,172,275	2,158,624

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

During the year there were no write-downs of assets (2011 - \$Nil) and no interest capitalized (2011 - \$Nil).

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2012

3. TANGIBLE CAPITAL ASSETS, continued

	2012	2011
	\$	\$
General government	183,894	195,213
Protection services	21,451	29,072
Transportation services	1,890,319	1,853,449
Health services	4,549	4,548
Recreation and cultural services	72,062	76,342
	2,172,275	2,158,624

4. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, 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:

	2012	2011
	\$	\$
Parkland	9,466	9,466
Federal gas tax	-	22,412
	9,466	31,878

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

	2012	2011
	\$	\$
Balance - beginning of year	31,878	9,546
Add: Federal gas tax received	23,972	22,332
Less transfer to operations:		
Federal gas tax	46,384	-
Balance - end of year	9,466	31,878

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2012

5. LONG TERM DEBT

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

	2012	2011
	\$	\$
Lease agreement with Pacific and Western Bank of Canada, repayable in blended monthly installments of \$1,830, interest at 5.89% per annum, due February 2014, secured by specific equipment.	23,849	43,763
Long term bank loan, due July 2020, repayable in monthly fixed principal installments of \$1,395 plus interest at prime rate.	86,858	143,598
Long term bank loan, due May 2021, repayable in monthly fixed principal installments of \$1,291 plus interest at prime rate plus 1%.	130,409	145,903
	241,116	333,264

- (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 \$9,789 (2011 - \$17,406).

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

	Principal	Interest	Total
	\$	\$	\$
2013	53,354	6,915	60,269
2014	34,963	5,126	40,089
2015	32,234	4,141	36,375
2016	32,234	3,174	35,408
2017	32,234	2,207	34,441
2018 and subsequent years	56,097	2,792	58,889
	241,116	24,355	265,471

6. RRSP CONTRIBUTIONS

Some of the employees of the Township are eligible to be members of a contributory registered retirement savings plan managed by Toronto Dominion Canada Trust. Employer contributions to the plan by the Township during the year amounted to \$9,345 (2011 - \$7,725). These contributions are for current service, are expensed during the year in which services are rendered and represent the total registered retirement savings plan obligation of the Township.

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2012

7. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2012	2011
	\$	\$
Surplus/(Deficit)		
Operations	221,396	204,696
Unfunded landfill closure and post closure costs	(247,713)	(266,799)
	(26,317)	(62,103)
Invested In Capital Assets		
Tangible capital assets - net book value	2,172,275	2,158,624
Long term debt	(241,116)	(333,264)
	1,931,159	1,825,360
Surplus	1,904,842	1,763,257
Reserves		
Acquisition of capital assets	225,142	225,142
Working funds	40,983	40,983
Total Reserves	266,125	266,125
Reserve Funds		
Waste disposal	125,183	120,183
Fire capital	65,730	57,730
Roads	90,012	80,012
Total Reserve Funds	280,925	257,925
	2,451,892	2,287,307

8. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The liability for landfill closure and post-closure costs of \$247,713 (2011 - \$266,799) has been estimated using discounted future cash flows associated with closure and post-closure care activities for the Township of Limerick. The closure costs include final cover, vegetation and additional monitoring wells. Post-closure costs include monitoring, maintenance of control systems and consulting fees for 25 years after the site is closed. The Township has a landfill reserve fund of \$125,183 (2011 - \$120,183) and the remaining landfill closure and post-closure liability will be funded from taxation. There are no specific assets designated for settling this liability.

The reported liability is based upon estimates and assumptions with respect to events extending over the remaining life of the landfill. The landfill site is presently at 100% of its capacity, however timing of closure for the site has not been set.

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2012

9. EXPENSES BY OBJECT

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

	Budget 2012 \$	Actual 2012 \$	Actual 2011 \$
Salaries and benefits	313,769	314,492	252,913
Interest charges	10,137	9,789	17,406
Materials	419,840	371,485	343,933
Contracted services	101,680	65,532	112,282
Rents and financial	1,200	949	960
External transfers	28,462	25,274	23,020
Amortization	165,864	172,239	165,864
	<u>1,040,952</u>	<u>959,760</u>	<u>916,378</u>

10. TRUST FUNDS

Trust funds administered by the Township amounting to \$7,946 (2011 - \$7,946) 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.

11. BUDGET FIGURES

The budget, approved by the Township, for 2012 is reflected on the Consolidated 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 PSAB reporting requirements. Budget figures are not subject to audit.

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 \$200,000 via an operating loan. Any balance borrowed will accrue interest at the bank's prime lending rate. Council authorized the temporary borrowing limit by By-law 2012-02. At December 31, 2012 there was a balance outstanding of \$Nil.

13. CONTINGENT LIABILITIES

The Township, in the course of its operations is subject to claims, lawsuits and contingencies. The Township records settlements as liabilities in the period they are reasonably determined. Although it is possible that liabilities may arise in other instances for which no accruals have been made, the Township does not believe that such an outcome will significantly impair its operations or have a material adverse effect on its financial position.

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2012

14. SEGMENTED INFORMATION

The Township of Limerick 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, protective inspection and control and emergency measures.

Transportation Services

The activities of the transportation function include construction and maintenance of the Township's roads and bridges and winter control.

Environmental Services

The environmental function is responsible for waste collection, waste disposal, and recycling.

Health Services

The health services function consists of the activities of the cemetery.

Recreation and Cultural Services

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

Planning and Development

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

CORPORATION OF THE TOWNSHIP OF LIMERICK

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2012

	General					Infrastructure		Totals \$
	Land \$	Land Improvements \$	Buildings \$	Machinery and Equipment \$	Vehicles \$	Roads \$	Bridges \$	
COST								
Balance, beginning of year	55,295	15,162	439,563	450,165	407,410	997,756	708,498	3,073,849
Add: additions during the year	-	-	-	-	-	185,890	-	185,890
Balance, end of year	55,295	15,162	439,563	450,165	407,410	1,183,646	708,498	3,259,739
ACCUMULATED AMORTIZATION								
Balance, beginning of year	-	3,040	230,847	249,072	159,995	231,252	41,019	915,225
Add: additions during the year	-	758	10,693	23,376	40,341	82,901	14,170	172,239
Balance, end of year	-	3,798	241,540	272,448	200,336	314,153	55,189	1,087,464
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	55,295	11,364	198,023	177,717	207,074	869,493	653,309	2,172,275

CORPORATION OF THE TOWNSHIP OF LIMERICK

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2012

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues								
Property taxation	27,058	175,391	461,795	53,165	1,650	35,500	18,000	772,559
User charges	6,958	11,112	3,722	10,275	1,138	2,500	4,188	39,893
Government transfers - operating	193,400	-	-	-	-	-	-	193,400
Government transfers - capital	-	-	-	-	-	-	-	-
Other municipalities	-	34,166	-	-	-	-	-	34,166
Penalties and interest on taxes	30,611	-	-	-	-	-	-	30,611
Investment income	7,332	-	-	-	-	-	-	7,332
Federal gas tax revenue earned	-	-	46,384	-	-	-	-	46,384
Total revenues	265,359	220,669	511,901	63,440	2,788	38,000	22,188	1,124,345
Expenses								
Salaries and benefits	118,001	47,457	128,318	15,635	-	5,081	-	314,492
Interest charges	-	-	9,789	-	-	-	-	9,789
Materials	75,899	52,584	183,174	32,519	2,025	21,198	4,086	371,485
Contracted services	-	83,390	1,228	(19,086)	-	-	-	65,532
Rents and financial	949	-	-	-	-	-	-	949
External transfers	2,399	16,480	-	-	-	6,395	-	25,274
Amortization	11,318	7,621	149,020	-	-	4,280	-	172,239
Total expenses	208,566	207,532	471,529	29,068	2,025	36,954	4,086	959,760
Net surplus	56,793	13,137	40,372	34,372	763	1,046	18,102	164,585

CORPORATION OF THE TOWNSHIP OF LIMERICK

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2011

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues								
Property taxation	69,567	137,117	347,577	52,599	996	34,227	-	642,083
User charges	4,894	1,000	2,954	7,605	2,080	1,375	9,480	29,388
Government transfers - operating	206,700	3,379	-	-	-	-	-	210,079
Government transfers - capital	-	-	9,942	-	-	-	-	9,942
Other municipalities	-	29,515	-	-	-	-	-	29,515
Penalties and interest on taxes	29,147	-	-	-	-	-	-	29,147
Investment income	3,136	-	-	-	-	-	-	3,136
Total revenues	313,444	171,011	360,473	60,204	3,076	35,602	9,480	953,290
Expenses								
Salaries and benefits	104,041	22,044	107,290	14,377	-	5,161	-	252,913
Interest charges	-	-	17,406	-	-	-	-	17,406
Materials	72,527	43,080	163,423	34,050	3,076	24,046	3,731	343,933
Contracted services	-	89,822	618	21,842	-	-	-	112,282
Rents and financial	960	-	-	-	-	-	-	960
External transfers	560	16,065	-	-	-	6,395	-	23,020
Amortization	11,318	11,998	138,268	-	-	4,280	-	165,864
Total expenses	189,406	183,009	427,005	70,269	3,076	39,882	3,731	916,378
Net surplus/(deficit)	124,038	(11,998)	(66,532)	(10,065)	-	(4,280)	5,749	36,912

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

We have audited the accompanying financial statements of the Trust Fund of the Corporation of the Township of Limerick, which comprise the statement of financial position as at December 31, 2012, 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 Fund of the Township as at December 31, 2012 and the continuity of the Trust Fund for the year then ended in accordance with Canadian Public Sector Accounting Standards.

*Collins Barrow Kawarthas LLP*Chartered Accountants
Licensed Public AccountantsPeterborough, Ontario
September 26, 2013

CORPORATION OF THE TOWNSHIP OF LIMERICK

TRUST FUND STATEMENT OF FINANCIAL POSITION At December 31, 2012

	2012	2011
	\$	\$
FINANCIAL ASSETS		
Cash	845	845
Investments (note 2)	7,218	7,218
	<u>8,063</u>	<u>8,063</u>
LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES		
Due to Township	117	117
FUND BALANCE		
Capital	7,946	7,946
	<u>8,063</u>	<u>8,063</u>

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF LIMERICK

TRUST FUND STATEMENT OF CONTINUITY For the Year Ended December 31, 2012

	2012	2011
	\$	\$
BALANCE - beginning of year	7,946	7,632
RECEIPTS		
Interest earned	221	226
Lot sales	-	100
	221	326
EXPENSES		
Transfer to operations	221	-
Bank charges	-	12
	221	12
BALANCE - end of year	7,946	7,946

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF LIMERICK

TRUST FUND NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments and their boards as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(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) Financial Instruments

The Trust Fund financial instruments consist of cash, investments and due to Township. It is management's opinion that the fair value of financial instruments are not materially different from their carrying value unless otherwise noted. The Trust Fund does not have any significant concentration of credit, currency or interest rate risk.

2. CASH AND INVESTMENTS

The investment is a GIC with the interest rate of 3.1% and maturing August 14, 2013.

3. CEMETERY PERPETUAL CARE

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