

CORPORATION OF THE TOWNSHIP OF LIMERICK
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013

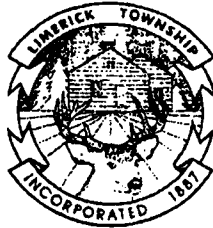
CORPORATION OF THE TOWNSHIP OF LIMERICK
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013

TABLE OF CONTENTS

	Page Number
MANAGEMENT REPORT	
INDEPENDENT AUDITORS' REPORT	
CONSOLIDATED FINANCIAL STATEMENTS	
Statement of Financial Position	1
Statement of Operations and Accumulated Surplus	2
Statement of Change in Net Financial Assets	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 13
Schedule of Tangible Capital Assets	14
Schedules of Segment Disclosure	15 - 16
TRUST FUND	
Independent Auditors' Report	17
Statement of Financial Position	18
Statement of Continuity	19
Notes to the Financial Statements	20

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CORPORATION OF THE TOWNSHIP OF LIMERICK

CORPORATION OF THE TOWNSHIP OF LIMERICK

For The Year Ended December 31, 2013

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

A handwritten signature in black ink, appearing to read "Richard J. Cole", written over a horizontal line.

Date

A handwritten signature in black ink, appearing to read "June 3/2014", written over a horizontal line.

Clerk-Treasurer

A handwritten signature in black ink, appearing to read "Jennifer Trumble", written over a horizontal line.

Date

A handwritten signature in black ink, appearing to read "June 3/2014", written over a horizontal line.

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, 2013, 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, 2013 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
Peterborough, Ontario
June 3, 2014

CORPORATION OF THE TOWNSHIP OF LIMERICK

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2013

	2013	2012
	\$	\$
FINANCIAL ASSETS		
Cash	936,509	472,173
Taxes receivable	405,049	304,901
Accounts receivable	55,413	61,977
TOTAL FINANCIAL ASSETS	1,396,971	839,051
LIABILITIES		
Accounts payable	82,109	61,139
Deferred revenue - obligatory reserve funds (note 5)	9,466	9,466
Deferred revenue - other (note 6)	285,103	-
Long term debt (note 7)	187,762	241,116
Landfill closure and post-closure liability (note 4)	244,171	247,713
TOTAL LIABILITIES	808,611	559,434
NET FINANCIAL ASSETS	588,360	279,617
NON-FINANCIAL ASSETS		
Tangible capital assets (note 9)	2,064,429	2,172,275
ACCUMULATED SURPLUS (note 10)	2,652,789	2,451,892

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, 2013

	Budget 2013 \$ (Unaudited)	Actual 2013 \$	Actual 2012 \$
REVENUES			
Property taxation	830,195	834,181	772,559
User charges	30,000	42,680	39,893
Government of Canada	-	7,930	-
Province of Ontario	193,400	222,344	193,400
Other municipalities	32,500	34,695	34,166
Penalties and interest on taxes	27,500	54,026	30,611
Gain on sale of assets	5,000	-	-
Federal gas tax earned	22,331	22,331	46,384
Other	-	9,974	7,332
TOTAL REVENUES	1,140,926	1,228,161	1,124,345
EXPENSES			
General government	233,818	227,364	208,567
Protection services	228,449	217,881	207,532
Transportation services	492,105	451,769	471,529
Environmental services	61,415	57,685	29,067
Health services	1,550	1,242	2,025
Recreation and cultural services	40,474	54,841	36,954
Planning and development	17,000	16,482	4,086
TOTAL EXPENSES	1,074,811	1,027,264	959,760
ANNUAL SURPLUS	66,115	200,897	164,585
ACCUMULATED SURPLUS - beginning of year	2,451,892	2,451,892	2,287,307
ACCUMULATED SURPLUS - end of year	2,518,007	2,652,789	2,451,892

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, 2013

	Budget 2013 \$ (Unaudited)	Actual 2013 \$	Actual 2012 \$
ANNUAL SURPLUS	66,115	200,897	164,585
Amortization of tangible capital assets	172,239	171,313	172,239
Acquisition of tangible capital assets	(5,000)	(63,467)	(185,890)
INCREASE IN NET FINANCIAL ASSETS	233,354	308,743	150,934
NET FINANCIAL ASSETS - beginning of year	279,617	279,617	128,683
NET FINANCIAL ASSETS - end of year	512,971	588,360	279,617

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, 2013

	2013	2012
	\$	\$
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Annual surplus	200,897	164,585
Increase in taxes receivable	(100,148)	(91,895)
Decrease in accounts receivable	6,564	80,315
Increase/(decrease) in accounts payable	20,970	(44,552)
Decrease in deferred revenue - obligatory reserve funds	-	(22,412)
Increase in deferred revenue - other	285,103	-
Non-cash charges to operations		
Amortization of tangible capital assets	171,313	172,239
Increase/(decrease) in landfill closure and post-closure liability	(3,542)	(19,086)
Net increase in cash from operating transactions	581,157	239,194
CAPITAL		
Acquisition of tangible capital assets	(63,467)	(185,890)
FINANCING		
Debt principal repayments	(53,354)	(92,148)
INCREASE/(DECREASE) IN CASH	464,336	(38,844)
CASH - beginning of year	472,173	511,017
CASH - end of year	936,509	472,173

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, 2013

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 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 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, 2013

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, 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.

(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 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.

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2013

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 interest, currency or credit risk. The Township has long term debt which are at a variable rate of interest and as such represents an interest risk to the Township should interest rates fluctuate.

2. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF HASTINGS

During 2013, 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	262,311	347,719

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

3. 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 2013-02. At December 31, 2013 there was a balance outstanding of \$Nil.

4. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The liability for landfill closure and post-closure costs of \$244,171 (2012 - \$247,713) 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 \$130,183 (2012 - \$125,183) 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, using a discount factor of 4% and an inflation rate of 2%. 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, 2013

5. 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 balance in the obligatory reserve funds of the Township is summarized below:

	2013	2012
	\$	\$
Parkland	9,466	9,466

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

	2013	2012
	\$	\$
Balance - beginning of year	9,466	31,878
Add: Federal gas tax	22,331	23,972
Less transfer to operations: Federal gas tax	22,331	46,384
Balance - end of year	9,466	9,466

6. DEFERRED REVENUE - OTHER

Included in deferred revenue - other are the following amounts:

	2013	2012
	\$	\$
MIII	247,228	-
New Horizons	9,814	-
Ministry of Tourism, Culture and Sport	28,061	-
	285,103	-

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013

6. DEFERRED REVENUE - OTHER, continued

The continuity of deferred revenue - other is as follows:

	2013	2012
	\$	\$
Balance - beginning of year	-	-
Add amounts received:		
MIII	251,856	-
New Horizons	17,744	-
Ministry of Tourism, Culture and Sport	32,000	-
	301,600	-
Less transfer to operations:		
MIII	4,629	-
New Horizons	7,930	-
Ministry of Tourism, Culture and Sport	3,938	-
	16,497	-
Balance - end of year	285,103	-

7. LONG TERM DEBT

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

	2013	2012
	\$	\$
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.	2,729	23,849
Long term bank loan, due July 2020, repayable in monthly fixed principal installments of \$1,395 plus interest at prime rate.	70,118	86,858
Long term bank loan, due May 2021, repayable in monthly fixed principal installments of \$1,291 plus interest at prime rate plus 1%.	114,915	130,409
	187,762	241,116

(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.

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2013

7. LONG TERM DEBT, continued

(c) Interest paid during the year on long term debt amounted to \$4,112 (2012 - \$9,789).

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

	Principal \$	Interest \$	Total \$
2014	34,964	5,125	40,089
2015	32,234	4,141	36,375
2016	32,234	3,174	35,408
2017	32,234	2,207	34,441
2018	18,652	1,388	20,040
2019 and subsequent years	37,444	1,404	38,848
	187,762	17,439	205,201

8. EMPLOYEE FUTURE AMOUNTS PAYABLE

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 \$9,956 (2012 - \$9,345). 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.

9. TANGIBLE CAPITAL ASSETS

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

	2013 \$	2012 \$
General		
Land	55,295	55,295
Land improvements	10,606	11,364
Buildings	187,330	198,023
Machinery and equipment	171,165	177,717
Vehicles	175,213	207,074
Infrastructure		
Roads	817,150	869,493
Bridges	639,139	653,309
	2,055,898	2,172,275
Assets under construction	8,531	-
	2,064,429	2,172,275

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2013

9. TANGIBLE CAPITAL ASSETS, continued

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

During the year there were no write-downs of assets (2012 - \$Nil) and no interest capitalized (2012 - \$Nil).

	2013	2012
	\$	\$
General government	184,774	183,896
Protection services	24,010	21,451
Transportation services	1,783,315	1,890,317
Health services	4,549	4,549
Recreation and cultural services	67,781	72,062
	2,064,429	2,172,275

10. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2013	2012
	\$	\$
Surplus/(Deficit)		
Operations	312,998	221,396
Unfunded landfill closure and post closure costs	(244,171)	(247,713)
	68,827	(26,317)
Invested in Capital Assets		
Tangible capital assets - net book value	2,064,429	2,172,275
Long term debt	(187,762)	(241,116)
	1,876,667	1,931,159
Surplus	1,945,494	1,904,842
Reserves		
Acquisition of capital assets	224,548	225,142
Working funds	40,982	40,983
Total Reserves	265,530	266,125
Reserve Funds		
Waste disposal	130,183	125,183
Fire capital	66,570	65,730
Roads	245,012	90,012
Total Reserve Funds	441,765	280,925
	2,652,789	2,451,892

CORPORATION OF THE TOWNSHIP OF LIMERICK

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2013

11. EXPENSES BY OBJECT

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

	Budget 2013 \$ (Unaudited)	Actual 2013 \$	Actual 2012 \$
Salaries and benefits	315,628	313,030	293,353
Interest charges	6,999	4,112	9,789
Materials	396,200	353,623	322,283
Contracted services	156,165	161,780	135,584
Rents and financial	1,610	843	1,238
External transfers	25,970	22,563	25,274
Amortization	172,239	171,313	172,239
	1,074,811	1,027,264	959,760

12. TRUST FUNDS

Trust funds administered by the Township amounting to \$8,346 (2012 - \$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.

13. BUDGET FIGURES

The budget, approved by the Township, for 2013 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 PSA reporting requirements. Budget figures are not subject to audit.

14. 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, 2013

15. 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, 2013

	General					Infrastructure		Assets Under Construction	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	1,183,646	708,498	-	3,259,739
Add: additions during the year	-	-	-	12,594	10,176	32,166	-	8,531	63,467
Balance, end of year	55,295	15,162	439,563	462,759	417,586	1,215,812	708,498	8,531	3,323,206
ACCUMULATED AMORTIZATION									
Balance, beginning of year	-	3,798	241,540	272,448	200,336	314,153	55,189	-	1,087,464
Add: additions during the year	-	758	10,693	19,146	42,037	84,509	14,170	-	171,313
Balance, end of year	-	4,556	252,233	291,594	242,373	398,662	69,359	-	1,258,777
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	55,295	10,606	187,330	171,165	175,213	817,150	639,139	8,531	2,064,429

CORPORATION OF THE TOWNSHIP OF LIMERICK

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2013

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues								
Property taxation	27,535	159,008	553,579	47,665	700	44,194	1,500	834,181
User charges	1,421	22,374	1,341	9,108	968	870	6,598	42,680
Government transfers - operating	213,777	-	4,628	-	-	11,869	-	230,274
Other municipalities	-	34,695	-	-	-	-	-	34,695
Penalties and interest on taxes	54,026	-	-	-	-	-	-	54,026
Federal gas tax earned	-	-	22,331	-	-	-	-	22,331
Other	9,974	-	-	-	-	-	-	9,974
Total revenues	306,733	216,077	581,879	56,773	1,668	56,933	8,098	1,228,161
Expenses								
Salaries and benefits	125,791	29,884	132,975	15,982	-	8,398	-	313,030
Interest charges	-	-	4,112	-	-	-	-	4,112
Materials	49,345	56,373	166,723	24,517	1,242	38,941	16,482	353,623
Contracted services	38,716	105,878	-	17,186	-	-	-	161,780
Rents and financial	560	-	258	-	-	25	-	843
External transfers	1,237	18,129	-	-	-	3,197	-	22,563
Amortization	11,715	7,617	147,701	-	-	4,280	-	171,313
Total expenses	227,364	217,881	451,769	57,685	1,242	54,841	16,482	1,027,264
Net surplus/(deficit)	79,369	(1,804)	130,110	(912)	426	2,092	(8,384)	200,897

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
Other municipalities	-	34,166	-	-	-	-	-	34,166
Penalties and interest on taxes	30,611	-	-	-	-	-	-	30,611
Federal gas tax earned	-	-	46,384	-	-	-	-	46,384
Other	7,332	-	-	-	-	-	-	7,332
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	26,318	128,318	15,635	-	5,081	-	293,353
Interest charges	-	-	9,789	-	-	-	-	9,789
Materials	43,388	46,985	182,885	21,716	2,025	21,198	4,086	322,283
Contracted services	32,512	110,128	1,228	(8,284)	-	-	-	135,584
Rents and financial	949	-	289	-	-	-	-	1,238
External transfers	2,399	16,480	-	-	-	6,395	-	25,274
Amortization	11,318	7,621	149,020	-	-	4,280	-	172,239
Total expenses	208,567	207,532	471,529	29,067	2,025	36,954	4,086	959,760
Net surplus	56,792	13,137	40,372	34,373	763	1,046	18,102	164,585

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, 2013, 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, 2013 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 Professional Accountants

Peterborough, Ontario
June 3, 2014

CORPORATION OF THE TOWNSHIP OF LIMERICK

TRUST FUND STATEMENT OF FINANCIAL POSITION At December 31, 2013

	2013 Cemetery Trust \$	2012 Cemetery Trust \$
FINANCIAL ASSETS		
Cash	1,441	845
Investments (note 2)	7,410	7,218
	<u>8,851</u>	<u>8,063</u>
LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES		
Due to Township	505	117
FUND BALANCE	<u>8,346</u>	<u>7,946</u>
	<u>8,851</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, 2013**

	2013 Cemetery Trust \$	2012 Cemetery Trust \$
BALANCE - beginning of year	7,946	7,946
RECEIPTS		
Interest earned	192	221
Interment fees	400	-
	592	221
EXPENSES		
Transfer to operations	192	221
BALANCE - end of year	8,346	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, 2013

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) 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 2.00% and maturing February 15, 2016.

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.