

**CORPORATION OF THE
MUNICIPALITY OF CENTRE HASTINGS**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2016

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MUNICIPALITY OF CENTRE HASTINGS**

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CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

For The Year Ended December 31, 2016

MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the Municipality of Centre Hastings 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.

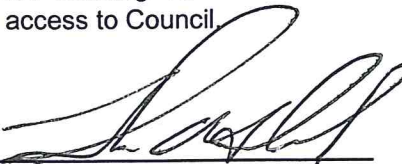
The Municipality maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Municipality's assets are appropriately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

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

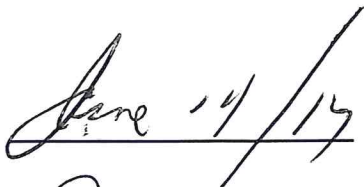
Council reviews and approves the Municipality's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the Municipality of Centre Hastings. Council meets periodically with management, as well as the external auditor, to discuss internal controls 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 auditor's 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 Municipality. Collins Barrow Kawarthas LLP has full and free access to Council.

Mayor



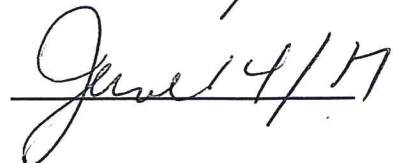
Date



CAO/Treasurer



Date



INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Municipality of Centre Hastings

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the Corporation of the Municipality of Centre Hastings and its local boards, which comprise the consolidated statement of financial position as at December 31, 2016, 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.

Auditor's 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 auditor's 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 Municipality of Centre Hastings and its local boards as at December 31, 2016 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
June 26, 2017

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2016

	2016	2015
	\$	\$
FINANCIAL ASSETS		
Cash	3,198,025	2,216,861
Investments (note 3)	907,702	904,908
Accounts receivable	519,364	713,277
Taxes receivable	693,994	719,844
TOTAL FINANCIAL ASSETS	5,319,085	4,554,890
LIABILITIES		
Accounts payable and accrued liabilities	738,948	859,341
Deferred revenue - obligatory reserve funds (note 7)	370,179	416,867
Deferred revenue - other (note 8)	452,074	23,524
Long term debt (note 9)	1,182,446	1,298,012
Landfill closure and post-closure liability (note 6)	165,000	630,000
TOTAL LIABILITIES	2,908,647	3,227,744
NET FINANCIAL ASSETS	2,410,438	1,327,146
NON-FINANCIAL ASSETS		
Tangible capital assets (note 10)	24,210,169	24,471,868
ACCUMULATED SURPLUS (note 11)	26,620,607	25,799,014

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2016

	Budget 2016 \$ (Unaudited)	Actual 2016 \$	Actual 2015 \$
REVENUES			
Property taxation	3,623,630	3,672,610	3,297,920
User charges	1,276,339	1,296,159	1,227,560
Government of Canada	49,300	47,852	54,676
Province of Ontario	2,472,069	1,671,978	2,440,703
Other municipalities	186,739	153,555	215,636
Penalties and interest	112,500	114,012	114,887
Investment income	52,000	51,572	50,526
Donations	10,000	16,752	26,453
Development charges earned	18,965	18,965	14,000
Parkland fees earned	-	32,087	-
Federal gas tax earned	440,000	332,490	560,652
TOTAL REVENUES	8,241,542	7,408,032	8,003,013
EXPENSES			
General government	750,693	804,206	760,994
Protection services	1,432,043	1,410,588	1,243,693
Transportation services	2,756,641	2,302,700	3,109,944
Environmental services	1,728,076	556,333	1,093,323
Health services	480,684	320,554	326,203
Recreation and cultural services	1,126,619	1,112,219	1,103,680
Planning and development	87,925	79,839	87,418
TOTAL EXPENSES	8,362,681	6,586,439	7,725,255
ANNUAL SURPLUS/(DEFICIT)	(121,139)	821,593	277,758
ACCUMULATED SURPLUS - beginning of year		25,799,014	25,521,256
ACCUMULATED SURPLUS - end of year		26,620,607	25,799,014

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2016

	Budget 2016 \$ (Unaudited)	Actual 2016 \$	Actual 2015 \$
ANNUAL SURPLUS/(DEFICIT)	(121,139)	821,593	277,758
Amortization of tangible capital assets	1,560,631	1,348,122	1,530,631
Purchase of tangible capital assets	(1,589,584)	(1,087,172)	(1,624,390)
Loss/(gain) on disposal of tangible capital assets	-	(22,463)	256,923
Proceeds on sale of tangible capital assets	-	23,212	20,180
CHANGE IN NET FINANCIAL ASSETS	(150,092)	1,083,292	461,102
NET FINANCIAL ASSETS - beginning of year	1,327,146	1,327,146	866,044
NET FINANCIAL ASSETS - end of year	1,177,054	2,410,438	1,327,146

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CONSOLIDATED STATEMENT OF CASH FLOWS For the Year Ended December 31, 2016

	2016	2015
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	821,593	277,758
Items not involving cash		
Amortization of tangible capital assets	1,348,122	1,530,631
Loss/(gain) on disposal of tangible capital assets	(22,463)	256,923
Change in landfill closure and post-closure liability	(465,000)	15,000
Change in non-cash assets and liabilities		
Accounts receivable	193,913	(69,679)
Taxes receivable	25,850	(36,821)
Accounts payable and accrued liabilities	(120,393)	(52,118)
Deferred revenue - obligatory reserve funds	(46,688)	(280,824)
Deferred revenue - other	428,550	(16,512)
Net change in cash from operating activities	2,163,484	1,624,358
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(1,087,172)	(1,624,390)
Proceeds on disposal of tangible capital assets	23,212	20,180
Net change in cash from capital activities	(1,063,960)	(1,604,210)
INVESTING ACTIVITIES		
Purchase of investments	(2,794)	(3,242)
FINANCING ACTIVITIES		
Debt principal repayments	(115,566)	(111,180)
NET CHANGE IN CASH	981,164	(94,274)
CASH - beginning of year	2,216,861	2,311,135
CASH - end of year	3,198,025	2,216,861

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

The Municipality of Centre Hastings 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 Municipality and which are owned and controlled by the Municipality. These financial statements include:

- Centre Hastings Public Library Board
- Centre Hastings Recreation Centre Board

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

(b) 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	15-20 years
Buildings	40-60 years
Buildings improvements	20-30 years
Machinery and equipment	3-20 years
Vehicles	8-10 years
Roads and bridges	7-50 years
Water and sewer	40-50 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.

(c) Non-financial assets

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

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

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.

Property taxation

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC) and in accordance with the provisions of the Municipal Act, 2001. The Municipality's Council establishes the tax rates annually, incorporating amounts to be raised for local services, and amounts the Municipality 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 Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

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.

Other revenue

User fees are recognized as revenue in the year the goods and services are provided, with the exception of building permits that are recognized when the permits are issued.

(e) Trust funds

Trust funds and their related operations administered by the Municipality 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.

(f) Reserves

Certain amounts, as approved by Council, are set aside in reserves for future operating and capital purposes. Transfers to and/or from reserves are an adjustment to the reserves 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.

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(h) 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 Municipality'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 Municipality's significant estimates include:

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

2. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF HASTINGS

During 2016, requisitions were made by the County of Hastings and School Boards requiring the Municipality 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	988,098	1,192,400

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

3. INVESTMENTS

Investments, recorded at cost, consist of the following:

	Market Value \$	2016 \$	2015 \$
BMO Nesbitt Burns			
Cash	32,508	32,508	34,282
Fixed income bonds with interest rates between 2.25% and 4.85%; maturing from 2017 to 2026	887,520	875,194	870,626
	920,028	907,702	904,908

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

4. CREDIT FACILITY AGREEMENT

The Municipality has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$900,000 via an operating 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 2016-02. At December 31, 2016 there was no balance outstanding (2015 - \$Nil).

5. PENSION AGREEMENTS

Certain employees of the Municipality are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2016 Annual Report disclosed total actuarial liabilities of \$87,554 million in respect of benefits accrued for service with actuarial assets of \$81,834 million indicating an actuarial deficit of \$5,720 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Municipality does not recognize any share of the OMERS pension surplus or deficit.

The Municipality's required contributions to OMERS in 2016 were \$127,275 (2015 - \$120,077).

6. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The liability for landfill closure and post-closure costs of \$165,000 (2015 - \$630,000) has been estimated using discounted future cash flows associated with closure and post-closure care activities for the one site the Municipality operates. 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 Municipality has a landfill reserve of \$343,860 (2015 - \$297,860) and the remaining landfill closure and post-closure liability, if any, 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 Township's practice is to cover the landfill cells as they are utilized with material from other Township properties. The remaining capacity of the landfill site is estimated at 139,600 m³ (2015 - 145,600 m³) which is 43.8% (2015 - 45.6%) of the site's total capacity. The total discounted future cash flows for closure and post-closure cost is estimated at \$292,683 (2015 - \$928,381) as at December 31, 2016 using a discount rate of 4% and an inflation rate of 2%. The landfill is expected to reach its capacity in 2061.

The Township received a new cost estimate for landfill monitoring which resulted in a decrease in the estimated landfill closure and post-closure liability.

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

7. 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 Municipality are summarized below:

	2016	2015
	\$	\$
Parkland fees	25,446	42,982
Development charges	109,899	79,185
Federal gas tax	234,834	294,700
	370,179	416,867

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

	2016	2015
	\$	\$
Balance - beginning of year	416,867	697,691
Add amounts received:		
Development charges	49,587	22,800
Parkland fees	14,550	3,000
Federal gas tax	269,666	263,089
Interest	3,051	4,939
	336,854	293,828
Less transfer to operations:		
Development charges earned	18,965	14,000
Parkland fees	32,087	-
Federal gas tax earned	332,490	560,652
	383,542	574,652
Balance - end of year	370,179	416,867

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

8. DEFERRED REVENUE - OTHER

Included in deferred revenue - other are the following amounts:

	2016	2015
	\$	\$
Ontario Community Infrastructure Fund (OCIF)	349,918	-
Skatepark donations	47,234	-
Source Water Protection (SWP)	38,755	19,879
Other deferred revenue	16,167	3,645
	<u>452,074</u>	<u>23,524</u>

The continuity of deferred revenue - other is as follows:

	2016	2015
	\$	\$
Balance - beginning of year	<u>23,524</u>	<u>40,036</u>
Add amounts received:		
OCIF funds received	490,364	-
Skatepark donations received	47,234	-
SWP funds received	29,905	-
Other deferred revenue	17,024	3,645
	<u>584,527</u>	<u>3,645</u>
Less transfer to operations:		
OCIF funds earned	140,446	15,925
SWP funds earned	11,028	4,232
Other deferred revenue	4,503	-
	<u>155,977</u>	<u>20,157</u>
Balance - end of year	<u>452,074</u>	<u>23,524</u>

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

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:

	2016 \$	2015 \$
Loan from Community Futures Development Corporation to assist in the construction of the medical centre. The loan is repayable, by the Municipality, in monthly principal and interest instalments of \$1,855, with interest at 2.85% per annum, due February 1, 2020.	144,220	162,118
Debenture from Ontario Infrastructure Projects Corporation, repayable in blended semi-annual instalments of \$74,571 with interest at 4.63% per annum, due May 20, 2025 and secured by the Tri-Area Medical Centre building.	1,038,226	1,135,894
	1,182,446	1,298,012

- (b) The long term debt in (a) issued in the name of the Municipality 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 \$55,836 (2015 - \$59,844).
- (d) The long term debt reported in (a) of this note is repayable as follows:

	Principal \$	Interest \$	Total \$
2017	120,654	50,748	171,402
2018	125,971	45,431	171,402
2019	131,527	39,875	171,402
2020	137,334	34,068	171,402
2021	142,827	28,574	171,401
2022 and subsequent years	524,133	48,310	572,443
	1,182,446	247,006	1,429,452

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

10. TANGIBLE CAPITAL ASSETS

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

	2016	2015
	\$	\$
General		
Land and land improvements	1,204,742	1,252,113
Buildings and building improvements	5,774,196	5,783,336
Machinery and equipment	700,929	757,240
Vehicles	1,281,545	1,107,033
Infrastructure		
Roads and bridges	10,508,141	11,004,703
Water and sewer	3,369,979	3,445,503
	22,839,532	23,349,928
Assets under construction	1,370,637	1,121,940
	24,210,169	24,471,868

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

During the year there were no write-downs of assets (2015 - \$Nil) and no interest capitalized (2015 - \$Nil).

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

	2016	2015
	\$	\$
General government	645,782	668,850
Protection services	818,684	586,135
Transportation services	12,769,921	13,105,505
Environmental services	3,710,396	3,781,951
Health services	2,891,502	2,946,752
Recreation and cultural services	3,226,685	3,234,728
Planning and development	147,199	147,947
	24,210,169	24,471,868

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

11. ACCUMULATED SURPLUS

(a) Accumulated surplus consists of the following:

	2016	2015
	\$	\$
Surplus/(Deficit)		
Municipality	151,542	169,560
Unfunded landfill closure and post-closure costs	(165,000)	(630,000)
Centre Hastings Public Library Board	16,909	16,736
	3,451	(443,704)
Invested In Capital Assets		
Tangible capital assets - net book value	24,210,169	24,471,868
Long term debt	(1,182,446)	(1,298,012)
Unfunded capital - see part (b) below	(1,400,556)	(1,624,456)
	21,627,167	21,549,400
Surplus	21,630,618	21,105,696
Reserves		
Working fund	510,284	492,971
General capital	743,073	734,373
Emergency measures	10,266	3,286
Fire capital	30,000	175,727
Roads capital	450,847	219,347
OMERS - past service	4,512	4,512
Recreation	83,700	85,914
Landfill	343,860	297,860
Arena	30,000	30,000
Whytock recreation	28,324	29,824
Septage	1,260,000	1,260,000
Waste disposal equipment	30,047	20,047
Nesbitt Burns	907,702	904,908
Hydro sale	9,251	7,251
Tax write-off	171,400	171,400
Cemeteries	22,167	22,167
Water and sewer	310,515	189,690
Medical centre	44,041	44,041
Total Reserves	4,989,989	4,693,318
	26,620,607	25,799,014

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

11. ACCUMULATED SURPLUS, continued

(b) Unfunded capital consists of the following:

	2016	2015
	\$	\$
Waterworks and sanitary sewer	(168,784)	(233,284)
Medical Centre	(353,036)	(383,036)
Land sales	(27,531)	(27,531)
Playground and recreation areas	(88,200)	(101,350)
Splash pad	(189,600)	(210,650)
Community arts building	(178,200)	(198,000)
Moira Hall	(21,982)	(33,985)
Roads	(373,223)	(436,620)
	(1,400,556)	(1,624,456)

12. EXPENSES BY OBJECT

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

	Budget 2016	Actual 2016	Actual 2015
	\$	\$	\$
	(Unaudited)		
Salaries and benefits	2,460,607	2,364,952	2,312,821
Interest charges	61,244	55,836	59,844
Materials	2,688,124	1,868,102	2,182,670
Contracted services	1,522,167	869,279	1,303,451
Rents and financial	57,600	61,799	48,120
External transfers	41,808	40,812	30,795
Amortization	1,560,631	1,348,122	1,530,631
Loss (gain) on disposal of tangible capital assets	(29,500)	(22,463)	256,923
	8,362,681	6,586,439	7,725,255

13. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$150,892 (2015 - \$150,173) 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 Municipality for the benefit of others, they are not presented as part of the Municipality's financial position or operations.

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

14. BUDGET FIGURES

The budget, approved by the Municipality, for 2016 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets. The budget 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.

15. CONTINGENT LIABILITIES

The Municipality, in the course of its operations, has been named in several lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.

16. COMPARATIVE FIGURES

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

17. SEGMENTED INFORMATION

The Municipality of Centre Hastings is a municipal government organization that provides a range of services to its residents. Municipality 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 Municipality 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 include construction and maintenance of the Municipality's roads and bridges, winter control and street lighting.

Water and Sewer

This function is responsible for providing water and sewer services to the Municipality.

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2016

17. SEGMENTED INFORMATION, continued

Other Environmental Services

This function is responsible for providing waste collection, waste disposal and recycling services to ratepayers.

Health Services

The health services function consists of cemeteries, ambulance base and external transfers to the local medical centre.

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 Municipality.

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2016

	General				Infrastructure			Totals \$
	Land and Land Improvements \$	Buildings and Building Improvements \$	Machinery and Equipment \$	Vehicles \$	Roads and Bridges \$	Water and Sewer \$	Assets Under Construction \$	
COST								
Balance, beginning of year	1,619,195	7,626,324	1,559,969	1,894,957	41,314,469	4,685,216	1,121,940	59,822,070
Add: additions during the year	-	132,998	41,895	319,946	343,636	-	248,697	1,087,172
Less: disposals during the year	749	-	6,972	-	111,912	-	-	119,633
Balance, end of year	1,618,446	7,759,322	1,594,892	2,214,903	41,546,193	4,685,216	1,370,637	60,789,609
ACCUMULATED AMORTIZATION								
Balance, beginning of year	367,082	1,842,988	802,729	787,924	30,309,766	1,239,713	-	35,350,202
Add: additions during the year	46,622	142,138	98,206	145,434	840,198	75,524	-	1,348,122
Less: disposals during the year	-	-	6,972	-	111,912	-	-	118,884
Balance, end of year	413,704	1,985,126	893,963	933,358	31,038,052	1,315,237	-	36,579,440
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS								
	1,204,742	5,774,196	700,929	1,281,545	10,508,141	3,369,979	1,370,637	24,210,169

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2016

	General Government \$	Protection Services \$	Transportation Services \$	Water and Sewer \$	Other Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues									
Property taxation	364,990	1,254,023	1,075,831	-	174,965	73,302	659,638	69,861	3,672,610
User charges	46,654	135,711	8,200	702,518	58,274	128,671	206,153	9,978	1,296,159
Government transfers - operating	1,430,800	-	76,105	-	-	-	61,451	-	1,568,356
Government transfers - capital	-	-	-	151,474	-	-	-	-	151,474
Other municipalities	-	-	-	-	19,965	63,331	70,259	-	153,555
Penalties and interest	114,012	-	-	-	-	-	-	-	114,012
Investment income	51,514	-	-	-	-	-	58	-	51,572
Donations	5,035	4,483	-	-	-	-	7,234	-	16,752
Development charges earned	-	18,965	-	-	-	-	-	-	18,965
Parkland fees earned	-	-	-	-	-	-	32,087	-	32,087
Federal gas tax earned	-	-	332,490	-	-	-	-	-	332,490
Total revenues	2,013,005	1,413,182	1,492,626	853,992	253,204	265,304	1,036,880	79,839	7,408,032
Expenses									
Salaries and benefits	577,997	280,060	541,511	176,888	180,009	3,017	551,150	54,320	2,364,952
Interest charges	-	-	-	-	-	55,836	-	-	55,836
Materials	181,879	171,914	702,180	152,784	69,822	204,941	359,063	25,519	1,868,102
Contracted services	-	831,934	114,689	174,473	(296,392)	-	44,575	-	869,279
Rents and financial	21,245	-	38,864	-	-	-	1,690	-	61,799
External transfers	18	39,284	-	-	-	1,510	-	-	40,812
Amortization	23,067	87,396	927,919	78,035	20,714	55,250	155,741	-	1,348,122
Loss on disposal of tangible capital assets	-	-	(22,463)	-	-	-	-	-	(22,463)
Total expenses	804,206	1,410,588	2,302,700	582,180	(25,847)	320,554	1,112,219	79,839	6,586,439
Net surplus/(deficit)	1,208,799	2,594	(810,074)	271,812	279,051	(55,250)	(75,339)	-	821,593

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

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

	General Government \$	Protection Services \$	Transportation Services \$	Water and Sewer \$	Other Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues									
Property taxation	448,822	-	1,826,261	-	163,226	233,213	554,924	71,474	3,297,920
User charges	53,203	80,157	2,149	686,892	56,478	136,773	195,138	16,770	1,227,560
Government transfers - operating	254,986	1,168,699	84,961	-	-	-	24,191	(826)	1,532,011
Government transfers - capital	-	-	896,135	19,233	-	48,000	-	-	963,368
Other municipalities	-	-	-	-	20,758	62,954	131,924	-	215,636
Penalties and interest	114,887	-	-	-	-	-	-	-	114,887
Investment income	50,526	-	-	-	-	-	-	-	50,526
Donations	21,985	-	-	-	-	4,468	-	-	26,453
Development charges earned	-	-	14,000	-	-	-	-	-	14,000
Federal gas tax earned	-	-	509,249	-	-	51,403	-	-	560,652
Total revenues	944,409	1,248,856	3,332,755	706,125	240,462	532,343	910,645	87,418	8,003,013
Expenses									
Salaries and benefits	540,518	294,947	551,378	196,146	170,353	2,943	536,536	20,000	2,312,821
Interest charges	-	-	-	-	-	59,844	-	-	59,844
Materials	184,797	182,789	986,000	126,589	82,997	178,201	387,589	53,708	2,182,670
Contracted services	-	672,333	162,595	224,664	199,613	-	30,536	13,710	1,303,451
Rents and financial	12,562	-	31,011	74	-	-	4,473	-	48,120
External transfers	50	38,221	-	-	-	1,320	(8,796)	-	30,795
Amortization	23,067	55,403	1,122,037	73,226	19,661	83,895	153,342	-	1,530,631
Loss on disposal of tangible capital assets	-	-	256,923	-	-	-	-	-	256,923
Total expenses	760,994	1,243,693	3,109,944	620,699	472,624	326,203	1,103,680	87,418	7,725,255
Net surplus/(deficit)	183,415	5,163	222,811	85,426	(232,162)	206,140	(193,035)	-	277,758

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Municipality of Centre Hastings

Report on the Financial Statements

We have audited the accompanying financial statements of the Trust Funds of the Corporation of the Municipality of Centre Hastings, which comprise the statement of financial position as at December 31, 2016, 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.

Auditor's 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 auditor's 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 Municipality of Centre Hastings as at December 31, 2016 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
June 26, 2017

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

TRUST FUNDS STATEMENT OF FINANCIAL POSITION At December 31, 2016

	Perpetual Care \$	Monument \$	2016 Total \$	2015 Total \$
FINANCIAL ASSETS				
Cash	190	-	190	170
Investments (note 2)	149,481	6,756	156,237	153,470
	149,671	6,756	156,427	153,640
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Due to Municipality	4,882	653	5,535	3,467
FUND BALANCE	144,789	6,103	150,892	150,173
	149,671	6,756	156,427	153,640

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

**TRUST FUNDS
STATEMENT OF CONTINUITY
For the Year Ended December 31, 2016**

	Perpetual Care \$	Monument \$	2016 Total \$	2015 Total \$
BALANCES - beginning of year	144,269	5,904	150,173	149,573
RECEIPTS				
Investment income	3,349	149	3,498	3,645
Transfer from Municipality	520	200	720	600
	3,869	349	4,218	4,245
EXPENSES				
Transfer to Municipality	2,960	98	3,058	3,192
Administration fees	389	52	441	453
	3,349	150	3,499	3,645
BALANCES - end of year	144,789	6,103	150,892	150,173

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

TRUST FUNDS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2016

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 Municipality's best information and judgment. Actual results could differ from these estimates.

2. INVESTMENTS

Investments in mutual funds, recorded at cost, consist of the following:

	Market Value \$	2016 Cost \$	2015 Cost \$
Perpetual care fund	150,495	149,481	146,972
Monument fund	6,805	6,756	6,498
	<u>157,300</u>	<u>156,237</u>	<u>153,470</u>

3. CEMETERY PERPETUAL CARE

The Perpetual Care Fund administered by the Municipality 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 Municipality's cemeteries. The operations and investments of the Fund are undertaken by the Municipality in accordance with the regulations of the Cemeteries Act.

4. CEMETERY MONUMENT FUND

The Monument Fund administered by the Municipality is funded by the sale of markers and monuments. These funds are invested and earnings derived there from are used to perform maintenance to the markers and monuments in the Municipality's cemeteries. The operations and investments of the Fund are undertaken by the Municipality in accordance with the regulations of the Cemeteries Act.

**CORPORATION OF THE
MUNICIPALITY OF CENTRE HASTINGS**

CENTRE HASTINGS PUBLIC LIBRARY BOARD

FINANCIAL STATEMENTS

DECEMBER 31, 2016

INDEPENDENT AUDITOR'S REPORT

**To the Members of the Centre Hastings Public Library Board, the Members of Council,
Inhabitants and Ratepayers of the Corporation of the Municipality of Centre Hastings**

Report on the Financial Statements

We have audited the accompanying financial statements of the Centre Hastings Public Library Board of the Corporation of the Municipality of Centre Hastings, which comprise the statement of financial position as at December 31, 2016, 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.

Auditor's 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 auditor's 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 user fees, donations 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 user fees, donations and fundraising revenues, assets and accumulated surplus.

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 Centre Hastings Public Library Board as at December 31, 2016 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
June 26, 2017

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CENTRE HASTINGS PUBLIC LIBRARY BOARD STATEMENT OF FINANCIAL POSITION At December 31, 2016

	2016	2015
	\$	\$
FINANCIAL ASSETS		
Cash	20,975	14,266
Short term investments	-	5,649
Accounts receivable	1,489	1,405
Due from Municipality	135	135
TOTAL FINANCIAL ASSETS	22,599	21,455
LIABILITIES		
Accounts payable	5,690	4,719
NET FINANCIAL ASSETS	16,909	16,736
NON-FINANCIAL ASSETS		
Tangible capital assets (note 2)	34,613	31,651
ACCUMULATED SURPLUS (note 3)	51,522	48,387

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CENTRE HASTINGS PUBLIC LIBRARY BOARD STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2016

	Budget 2016 \$ (Unaudited)	Actual 2016 \$	Actual 2015 \$
REVENUES			
Municipality of Centre Hastings contribution	68,881	71,381	68,660
Township of Madoc contribution	29,520	29,520	28,354
Government of Canada	-	1,352	1,320
Province of Ontario	27,836	27,222	30,607
User fees	1,740	1,994	2,705
Donations and fundraising	-	7,234	2,392
Interest income	-	58	76
TOTAL REVENUES	127,977	138,761	134,114
EXPENSES			
Salaries and benefits	81,630	80,951	77,040
Supplies and services	33,624	35,658	33,710
Transfer to Township of Stirling-Rawdon	-	2,500	2,500
Periodicals	1,150	1,104	1,272
Repairs and maintenance	5,000	3,674	2,624
Amortization	12,586	11,739	12,586
Other	-	-	50
TOTAL EXPENSES	133,990	135,626	129,782
ANNUAL SURPLUS/(DEFICIT)	<u>(6,013)</u>	3,135	4,332
ACCUMULATED SURPLUS - beginning of year		48,387	44,055
ACCUMULATED SURPLUS - end of year		51,522	48,387

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CENTRE HASTINGS PUBLIC LIBRARY BOARD STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2016

	Budget 2016 \$ (Unaudited)	Actual 2016 \$	Actual 2015 \$
ANNUAL SURPLUS/(DEFICIT)	(6,013)	3,135	4,332
Amortization of tangible capital assets	12,586	11,739	12,586
Acquisition of tangible capital assets	(16,573)	(14,701)	(16,048)
INCREASE/(DECREASE) IN NET FINANCIAL ASSETS	(10,000)	173	870
NET FINANCIAL ASSETS - beginning of year	16,736	16,736	15,866
NET FINANCIAL ASSETS - end of year	6,736	16,909	16,736

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CENTRE HASTINGS PUBLIC LIBRARY BOARD STATEMENT OF CASH FLOWS For the Year Ended December 31, 2016

	2016	2015
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus/(deficit)	3,135	4,332
Items not involving cash		
Amortization of tangible capital assets	11,739	12,586
Loss on disposal of tangible capital assets	-	1,057
Change in non-cash assets and liabilities		
Accounts receivable	(84)	-
Accounts payable	971	2,596
Net change in cash from operating activities	15,761	20,571
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(14,701)	(16,048)
INVESTING ACTIVITIES		
Disposal of short-term investments	5,649	-
Purchase of short-term investments	-	(5,649)
Net change in cash from investing activities	5,649	(5,649)
NET CHANGE IN CASH	6,709	(1,126)
CASH - beginning of year	14,266	15,392
CASH - end of year	20,975	14,266

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CENTRE HASTINGS PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2016

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.

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.

(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	7 years
Furniture and equipment	5 years

(d) 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.

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CENTRE HASTINGS PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2016

2. TANGIBLE CAPITAL ASSETS

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

	Books \$	Furniture and Equipment \$	2016 Totals \$	2015 Totals \$
COST				
Balance, beginning of year	71,319	18,590	89,909	81,272
Add: additions during the year	14,701	-	14,701	16,048
Less: disposals during the year	6,972	-	6,972	7,411
Balance, end of year	79,048	18,590	97,638	89,909
ACCUMULATED AMORTIZATION				
Balance, beginning of year	40,971	17,287	58,258	53,083
Add: additions during the year	11,304	435	11,739	12,586
Less: disposals during the year	6,972	-	6,972	7,411
Balance, end of year	45,303	17,722	63,025	58,258
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	33,745	868	34,613	31,651

3. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2016 \$	2015 \$
Surplus/(Deficit)		
Operations	16,909	16,736
Invested In Capital Assets		
Tangible capital assets - net book value	34,613	31,651
	51,522	48,387

CORPORATION OF THE MUNICIPALITY OF CENTRE HASTINGS

CENTRE HASTINGS PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2016

4. BUDGET FIGURES

The operating budget, approved by the Board, for 2016 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 expenditure 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.