



Consolidated Financial Statements

The Corporation of the Township of Schreiber

December 31, 2017

Statement of Administrative Responsibility

The management of The Corporation of the Township of Schreiber have prepared the accompanying consolidated financial statements and are responsible for their accuracy and integrity. These statements consolidate all operations for which the Township has legislative and financial responsibility. The consolidated financial statements have been prepared by management in accordance with the accounting principles generally accepted for the public sector as prescribed by the Public Sector Accounting Board [PSAB] of CPA Canada.

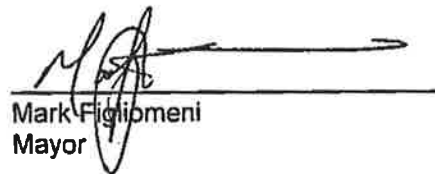
In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that Municipal assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements.

The Municipal Council reviews and approves the consolidated financial statements before such statements are submitted to the Ministry of Municipal Affairs and Housing and published for the residents of The Corporation of the Township of Schreiber. The external auditors have access to, and meet with, Municipal Council to discuss their audit and the results of their examination.

The 2017 Financial Statements have been reported on by The Corporation of the Township of Schreiber's external auditors, Grant Thornton LLP, the auditors appointed by Municipal Council. The auditors' report outlines the scope of their audit and their opinion on the presentation of the information included in the consolidated financial statements.



Don McArthur
Chief Administrative Officer / Clerk



Mark Figliomeni
Mayor

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Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Township of Schreiber

We have audited the accompanying consolidated financial statements of The Corporation of the Township of Schreiber, which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statements of operations and accumulated surplus, change in net financial assets (debt) 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 control as management determines is 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 control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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, the consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of Schreiber as at December 31, 2017, and the results of its operations and accumulated surplus, changes in net financial assets (debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Thunder Bay, Canada
May 7, 2018

Grant Thornton LLP

Chartered Professional Accountants
Licensed Public Accountants

The Corporation of the Township of Schreiber

Consolidated Statement of Financial Position

As at December 31	2017	2016
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents <i>[note 4]</i>	1,996,820	2,980,014
Short-term investments <i>[note 5]</i>	-	620,600
Taxes receivable <i>[note 3]</i>	231,478	345,584
Accounts receivable	1,538,507	174,076
Investment in Anemos Wastewater Facility Solar LP	13,923	16,000
Due from other municipalities	42,082	21,132
Total financial assets	3,822,810	4,157,406
LIABILITIES		
Accounts payable and accrued liabilities	617,092	298,518
Deferred revenue <i>[note 6]</i>	1,431,974	2,048,779
Debt <i>[note 8]</i>	526,282	628,385
User charges payable	16,293	11,234
Post-retirement benefits <i>[note 9]</i>	167,783	-
Total liabilities	2,759,424	2,986,916
NET FINANCIAL ASSETS	1,063,386	1,170,490
NON-FINANCIAL ASSETS		
Tangible capital assets - net <i>[note 12] [schedule 2]</i>	13,054,329	11,142,558
Prepaid expenses	8,303	77,409
	13,062,632	11,219,967
Accumulated surplus <i>[schedule 1]</i>	14,126,018	12,390,457

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Schreiber Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31

	Budget 2017 \$ <i>[note 16]</i>	Actual 2017 \$	Actual 2016 \$
REVENUES [schedule 3]			
Taxation			
Residential and farm taxation	1,370,150	1,370,150	1,342,949
Commercial and industrial	432,169	440,359	443,669
Taxation from other governments	82,158	89,519	90,812
	1,884,477	1,900,028	1,877,430
User charges			
Water billings	422,190	417,051	396,990
User fees and service charges	149,635	261,630	197,614
Sewer	247,740	244,387	231,828
	2,704,042	2,823,096	2,703,862
Government transfers			
Government of Canada	177,925	337,107	70,588
Province of Ontario	2,923,979	2,636,527	1,068,486
Other municipalities	23,063	20,935	21,132
	3,124,967	2,994,569	1,160,206
Other			
Investment income	9,000	20,938	6,513
Penalties and late payment charges	93,000	120,537	96,352
Fines	-	185	370
Other	123,844	271,470	200,587
	225,844	413,130	303,822
Total revenues	6,054,853	6,230,795	4,167,890

	Budget 2017 \$ [note 16]	Actual 2017 \$	Actual 2016 \$
EXPENSES [note 13] [schedule 3]			
General government	1,154,692	1,291,012	1,046,849
Protection to persons and property	393,293	397,067	370,441
Transportation services	718,377	626,395	639,279
Environmental services	1,111,851	946,835	910,579
Health services	127,486	120,365	126,129
Social and family services	84,986	74,592	74,765
Recreation and cultural services	666,634	719,344	606,165
Planning and development	215,335	186,030	179,826
Library	146,624	142,926	148,057
	4,619,278	4,504,566	4,102,090
NET REVENUE BEFORE UNDERNOTED ITEM	1,435,575	1,726,229	65,800
Other			
Gain on disposal of tangible capital assets	-	9,332	857
Annual surplus	1,435,575	1,735,561	66,657
Accumulated surplus, beginning of year	-	12,390,457	12,323,800
Accumulated surplus, end of year	1,435,575	14,126,018	12,390,457

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Schreiber Consolidated Statement of Change in Net Financial Assets (Debt)

Year ended December 31

	Budget 2017 \$ <i>[note 16]</i>	Actual 2017 \$	Actual 2016 \$
Annual surplus	1,435,575	1,735,561	66,657
Acquisition of tangible capital assets	(3,815,125)	(2,564,074)	(342,513)
Amortization of tangible capital assets	634,689	634,689	603,889
Proceeds on disposal of tangible capital assets	-	26,946	857
Gain on disposal of tangible capital assets	-	(9,332)	(857)
Acquisition of prepaid expenses	-	(8,303)	(77,409)
Use of prepaid expenses	-	77,409	83,482
Increase (decrease) in net financial assets	(1,744,861)	(107,104)	334,106
Net financial assets, beginning of year	1,170,490	1,170,490	836,384
Net financial assets (debt), end of year	(574,371)	1,063,386	1,170,490

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Schreiber

Consolidated Statement of Cash Flows

Year ended December 31	2017	2016
	\$	\$
OPERATIONS		
Annual surplus	1,735,561	66,657
Non-cash charges		
Amortization of tangible capital assets	634,689	603,889
Post-retirement benefits	167,783	-
Gain on disposal of tangible capital assets	(9,332)	(857)
Unrealized loss on investment in Anemos Wastewater Facility Solar LP	7,166	-
	2,535,867	669,689
Net change in non-cash working capital balances		
Decrease in taxes receivable	114,106	242,696
Increase (decrease) in user charges payable	5,059	(7,022)
Decrease (increase) in accounts receivable	(1,364,431)	122,506
Decrease (increase) in due to other municipalities	(20,950)	1,819
Increase (decrease) in accounts payable and accrued liabilities	318,574	(155,203)
Increase (decrease) in deferred revenue	(616,805)	1,037,763
Decrease in prepaid expenses	69,106	6,073
Cash provided by operating transactions	1,040,526	1,918,321
CAPITAL		
Acquisition of tangible capital assets	(2,564,074)	(342,513)
Proceeds on disposal of tangible capital assets	26,946	857
Cash used in capital transactions	(2,537,128)	(341,656)
INVESTING		
Contributions to investment in Anemos Wastewater Facility Solar LP	(5,089)	(16,000)
Purchase of short-term investments	-	(620,600)
Proceeds on disposal of short-term investments	620,600	-
Cash provided by (used in) investing transactions	615,511	(636,600)
FINANCING		
Debt principal repayment	(102,103)	(106,404)
Cash used in financing transactions	(102,103)	(106,404)
Increase (decrease) in cash and cash equivalents	(983,194)	833,661
Opening cash and cash equivalents	2,980,014	2,146,353
Closing cash and cash equivalents	1,996,820	2,980,014

See accompanying notes to the consolidated financial statements.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

GENERAL

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

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements of The Corporation of the Township of Schreiber are prepared by management in accordance with accounting policies generally accepted for the local government as prescribed by the Public Sector Accounting Board ("PSAB") of CPA Canada. The more significant of these accounting policies are as follows:

[a] Basis of consolidation

Reporting entity

These consolidated financial statements reflect the financial assets, liabilities, revenues, expenses, and accumulated surplus of the reported entity. The reporting entity is comprised of all organizations, local boards, and committees accountable for the administration of their financial affairs and resources, to the Township, and which are owned or controlled by the Township. Accordingly, the following are consolidated in these financial statements.

Schreiber Public Library Board

All interfund balances and transactions have been eliminated.

Government partnerships

Certain organizations in which the Township participates are accounted for on a proportionate consolidation basis, consistent with the treatment for government partnerships. Under the proportionate consolidation basis of accounting, the Township's pro-rata share of the assets, liabilities, revenues and expenditures that are subject to shared control is combined on a line-by-line basis with similar items in the Township's financial statements. The entity that is accounted for in this manner is:

Thunder Bay Area Emergency Measures Organization

Local boards

The financial activities of certain entities associated with the Township are not consolidated. The Township's contribution to these entities are recorded in the Consolidated Statement of Operations and Accumulated Surplus. The entities that are accounted for in this manner are:

Thunder Bay District Health Unit

The District of Thunder Bay Social Services Administration Board

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

Trust funds

Certain assets have been conveyed or assigned to the Township to be administered as directed by agreement or statute. The Township holds the assets for the benefit of and stand in fiduciary relationship to the beneficiaries, as a result, the trust funds and assets are excluded from their financial statements.

Accounting for school board transactions

The taxation and other revenues, expenses, assets and liabilities with respect to the operations of the school boards, are not reflected in these consolidated financial statements.

[b] Basis of accounting

Accrual accounting

The Township uses the accrual basis of accounting which recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or its equivalent. It recognizes a liability until the obligation or conditions underlying the liability is partly or wholly satisfied and recognizes an asset until the future economic benefit underlying the asset is partly or wholly used or lost.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances in banks.

Short-term investments

Short-term investments are recorded using the cost method. The carrying value of an investment is written-down to its net recoverable amount if a decline in market value is judged to be other than temporary.

Long-term investments

Long-term investments in shares of limited partnerships are valued using the modified equity method.

Pension and employee benefits

The Township accounts for its participation in the Ontario Municipal Employee Retirement System ("OMERS"), a multi-employer defined benefit plan, as a defined contribution plan. Obligations for sick leave under accounts payable and accrued liabilities are accrued as the employees render the services necessary to earn the benefits. Vacation pay and other post-employment benefits are charged to operations in the year earned.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual deficit, provides the change in net financial assets for the year.

[a] Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and write-downs, if any. Cost includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	20 to 60 years
Computer hardware and software	5 to 10 years
Furniture and equipment	5 to 25 years
Land improvements	15 to 60 years
Library collections	25 years
Linear assets	
- roads	15 to 60 years
- sanitary sewer	50 to 60 years
- water distribution	40 to 60 years
Machinery and equipment	8 to 40 years
Vehicles	5 to 20 years

Assets under construction are not amortized until the asset is available for productive use, at which time they are transferred to their respective tangible capital asset categories.

[b] Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

[c] Tangible capital assets recognized at nominal value

Certain assets were recorded at a nominal value on adoption of tangible capital assets due to the difficulty in determining an appropriate value. The most significant of such assets are the Township's road allowances and vacant property.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

[d] Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property to the Township are accounted for as the acquisition of a capital asset and the incurrence of an obligation. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Reserves and reserve funds

Certain amounts, as approved by the Township Council, are set aside in reserves and reserve funds for future operating and capital purposes. Council segregates its accumulated surplus into various categories including reserves and reserve funds which are specifically for future operating and capital purposes.

Taxation revenue

Taxes are recognized as assets and revenue when they meet the definition of an asset, are authorized and the taxable event occurs, which for property taxes is the period for which the tax is levied.

At each financial statement date, management evaluates the extent to which its tax receivables are ultimately collectible and valuation allowances are used to reflect tax receivables at their net recoverable amount.

At each financial statement date, management evaluates the likelihood of having to repay taxes collected under tax measures that have been deemed authorized using the concept of legislative convention and recognizes a liability when required. Related refunds are accounted for in the period in which the change in estimate occurs.

Revenue recognition

User charges and fees are recognized as revenue in the period in which the related services are performed. Amounts collected for which the related services have yet to be performed are recognized as a liability and recognized as revenue when the related services are performed.

Interest is recognized as it is earned. Interest earned on obligatory reserve funds is added to the fund balance and forms part of the deferred revenue balance. Investment income earned on reserve funds is added to the fund balance and forms part of the reserve fund balance.

Funds received, other than government transfers and tax revenue, for specific purposes which are externally restricted by legislation, regulation or agreement and that are not available for general purposes are accounted for as deferred revenue on the Consolidated Statement of Financial Position. The revenue is recognized in the Consolidated Statement of Operations and Accumulated Surplus in the year in which it is used for the specified purpose.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

Government transfers

Government transfers are transfers of monetary assets or tangible capital assets from a government to an individual, an organization or another government that are not the result of an exchange transaction, expected to be repaid in the future or expected to produce a direct financial return. Government transfers received are recognized in the consolidated financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers made to a recipient by the Township are recorded as an expense when they are authorized and the recipient meets all eligibility criteria.

Obligatory reserve funds

The Township receives Gas Tax proceeds from the Federal Government through the Association of Municipalities of Ontario. These funds, by their nature, are restricted in their use and, until applied to specific expenses are recorded as deferred revenue. Amounts applied to qualifying capital projects are recorded as revenue in the fiscal period they are expended. See note 6 for more details.

The Township received proceeds from the Nuclear Waste Management Organization. These funds are restricted in their use and, until applied to specific expenses are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

Landfill closure and post-closure liability

The obligation to close and maintain solid waste landfill sites is based on the estimated future expenses in current dollars, adjusted for estimated inflation and is charged to expenses as the landfill site's capacity is used.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that 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 revenues and expenses during the reporting period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions that the Township may undertake in the future. Significant accounting estimates include valuation allowance for accounts receivable, estimated useful lives of tangible capital assets, employee benefits payable, and solid waste landfill closure and post-closure liabilities. Actual results could differ from these estimates.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

2. TRUST FUNDS

Trust funds administered by the Township amounting to \$102,313 [2016 - \$100,527] 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.

3. TAXES RECEIVABLE

	2017	2016
	\$	\$
Property and business taxes receivable	1,195,704	1,020,292
Allowance for property and business tax arrears	(964,226)	(674,708)
	231,478	345,584

4. CASH AND CASH EQUIVALENTS

	2017	2016
	\$	\$
Cash on hand	1,188,473	2,921,371
Savings account	836,450	208,930
Outstanding deposits	54,745	38,265
Outstanding cheques	(82,848)	(188,552)
	1,996,820	2,980,014

The Township has available a demand operating loan of \$2,800,000 [2016 - \$2,800,000] for which the Township has provided a general security agreement, of which \$nil [2016 - \$nil] was borrowed at year-end. Interest on the loan is calculated at bank prime [3.2% at year-end].

5. SHORT-TERM INVESTMENTS

Short-term investments consist of Guaranteed Investment Certificates of \$nil [2016 - \$620,600] which matured in December, 2017 yielding interest rates of 0.85% - 1.46%. The fair market value of the Guaranteed Investment Certificates are reflective of their book value.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

6. DEFERRED REVENUE

	2017 \$	2016 \$
Obligatory reserve funds		
Federal Gas Tax proceeds	207,844	203,652
Provincial Gas Tax proceeds	132,092	196,008
Nuclear Waste Management Organization - Well Being Fund proceeds	470,495	592,406
General deferred revenue		
Ontario Community Infrastructure Fund	607,055	1,011,701
Ontario Sports & Leisure	-	28,244
Ministry of Transportation - State of Good Repairs Needs - grant proceeds	8,169	8,169
Library - funding	5,069	8,399
Other	1,250	200
	1,431,974	2,048,779

The continuity of deferred revenue is as follows:

	Government Transfer \$	Other \$	Total 2017 \$	Total 2016 \$
Balance, beginning of year	8,169	2,040,610	2,048,779	1,011,016
Investment income	-	8,364	8,364	2,780
Net contributions to current operations	-	(717,772)	(717,772)	(214,361)
Grant proceeds	-	92,603	92,603	1,249,344
Balance, end of year	8,169	1,423,805	1,431,974	2,048,779

7. PENSION AGREEMENTS

The Township makes contributions to the Ontario Municipal Employees Retirement Fund ("OMERS"), which is a multi-employer plan, on behalf of certain members of its staff. The plan is a defined benefit plan which specifies the amount of retirement benefit to be received by the employees based on the length of service and rates of pay. The amount contributed to OMERS for 2017 was \$69,699 [2016 - \$60,839] for current service.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

8. DEBT

[a] The balance of debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2017	2016
	\$	\$
Term loan repayable in blended monthly instalments of \$4,691, including interest at 2.40% per annum, maturing in January, 2020.	109,817	162,766
Term loan repayable in blended monthly instalments of \$2,559, including interest at 3.90% per annum, maturing in January, 2027.	234,418	255,541
Term loan repayable in blended monthly instalments of \$1,134, including interest at 3.28% per annum, maturing in June, 2019.	19,884	32,617
Term loan repayable in blended monthly instalments of \$1,770, including interest at 3.90% per annum, maturing January, 2027.	162,163	176,773
Term loan repayable in blended monthly instalments of \$692, including interest at 5.59% per annum, maturing January, 2017.	-	688
	526,282	628,385

[b] Principal due on debt is summarized as follows:

	\$
2017	104,539
2018	100,902
2019	40,140
2020	41,734
2021	43,391
Thereafter	195,576
	526,282

[c] The debt in [a] issued in the name of the Township has 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 Ontario Ministry of Municipal Affairs and Housing.

[d] Total interest charges for debt reported on the Consolidated Statement of Operations and Accumulated Surplus are \$20,409 [2016 - \$23,726].

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

9. POST-RETIREMENT BENEFITS

The post-retirement benefits relate to health care costs that the Township will cover for specific retired employees. Township employees entitled to the post-retirement benefit are identified through the Union Agreement and also include any non-union management employees. Management's estimate is determined based on the type of policy the employee will receive, expected costs using market data and the expected date of employee's retirement. Based on these factors, management took the total estimated costs and discounted it at a rate of 3.2%.

10. RELATED PARTY TRANSACTIONS

[a] Measurement basis

Related party transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

[b] Related companies

Anemos Wastewater Facility Solar LP (Limited Partnership) is 15.1% owned by the Township and the remaining 84.9% owned by Anemos Energy Corporation.

	2017	2016
	\$	\$
Transactions with Limited Partnership		
Revenues - Land rent	500	500

As at year-end, the Township has contributed \$5,089 [2016 - \$15,985] to the Limited Partnership.

11. LANDFILL CLOSURE AND POST-CLOSURE

The Township's landfill usage is limited to de-watering treated waste sludge from the Municipal Water Pollution Control Plant. The main components of the landfill closure includes soil testing and seeding.

The estimated liability for this cost is the present value for future cash flows associated with closure and post-closure costs discounted using the Township's average long-term borrowing rate of 6%. The total discounted outflow in the future is estimated to be \$5,000. No provision has been made in these consolidated financial statements in respect to landfill closure and post-closure costs. An amount of \$208,086 [2016 - \$208,086] has been provided in a reserve to fund future landfill expansion and emergencies (Schedule 1).

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

According to the Certificate of Approval issued by the Ontario Ministry of Environment, the size of the site is 0.371 hectares, with a maximum capacity not to exceed 1,200m³. Management has estimated that the life of the site is unlimited due to the current maintenance processes in place.

12. TANGIBLE CAPITAL ASSETS

Schedule 2 provides information on the tangible capital assets of the Township by major asset class, as well as accumulated amortization of the assets controlled.

There were no write-downs of assets during 2017 [2016 - \$nil].

Interest capitalized during 2017 was \$nil [2016 - \$nil].

There were no contributed tangible capital assets in 2017 [2016 - \$nil].

13. SEGMENTED INFORMATION

The Corporation of the Township of Schreiber provides a wide range of services to its citizens. The schedule of segment disclosure provides a breakdown of the annual surplus (deficit) reported on the Consolidated Statement of Operations and Accumulated Surplus by major reporting segment. The segments correspond to the major functional categories used in the Township's Financial Information Return, which includes the following activities:

General government

General government comprises various administrative services, including the Finance Department, and Mayor and Council.

Protection to persons and property

Protection to persons and property is comprised of police services, fire services, and protective inspection and control. The police services are contracted from the Ontario Provincial Police. The Volunteer Fire Services Department is responsible for fire suppression, fire prevention programs, and training and education related to prevention, detection or extinguishment of fires. Protective inspection and control ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-laws for the protection of occupants. Protective inspection and control also represents the Township's proportionate share of the activities of the Thunder Bay Area Emergency Measures Organizations ("EMO").

Transportation services

Transportation services include roadways, winter control, transit, parking and street lighting. Roadways covers the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, culverts and sidewalks. Winter control includes snowplowing, sanding and salting, snow removal and flood control. The Township develops and maintains the street lighting system.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

Environmental services

Environmental services consist of waterworks, sanitary sewer, waste collection and disposal and recycling. Waterworks provides drinking water to the citizens of Schreiber. Sanitary sewer collects and treats wastewater and waste collection and disposal and recycling includes the collection of solid waste, landfill site operations and waste minimization programs.

Health services

Health services includes public health services and ambulance services. Public health services represents the Township's contribution to the activities of the Thunder Bay District Health Unit. The Thunder Bay District Health Unit provides health information and prevention-related clinical services, advocates for healthy public policy, investigates reportable diseases, and upholds regulations that apply to public health. Ambulance services are contracted from the Superior North Emergency Medical Services ("SNEMS"). SNEMS is responsible for providing emergency medical and ambulatory services to the residents of the District of Thunder Bay.

Social and family services

Social and family services represents the Township's contributions to the activities of The District of Thunder Bay Social Services Administration Board ("TBDSSAB"). TBDSSAB is responsible for Ontario Works program delivery, child care services and social housing.

Recreation and cultural services

Recreation and cultural services include parks, recreation programs and facilities, public library and contributions to cultural organizations. The Community Services Department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as fitness and aquatic programs, the development and maintenance of various recreational facilities, and the maintenance of parks and open spaces. The public library is dedicated to providing community access to local and global information resources that support lifelong learning, research and leisure activities. The Township makes contributions to various cultural organizations under specific funding programs.

Planning and development

The Township manages development for business interest, environmental concerns, heritage matters, and local neighbourhoods through community development and approval of all land development plans.

The accounting policies used in these segments are consistent with those followed in the preparation of these consolidated financial statements as disclosed in note 1. For additional information see the Consolidated Schedule of Segment Disclosure (Schedule 3).

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

14. RESERVES AND RESERVE FUNDS

The continuity of reserves and reserve funds which makes up part of accumulated surplus in Schedule 1 is as follows:

	2017	2016
	\$	\$
Reserves		
Balance, beginning of year	1,527,973	1,442,196
Increases		
Transfer from current operations	416,232	139,658
Decreases		
Transfer to current operations	222,999	38,881
Transfer to capital operations	5,089	15,000
	228,088	53,881
Balance, end of year	1,716,117	1,527,973
	2017	2016
	\$	\$
Reserve funds		
Balance, beginning of year	21,819	16,897
Increases		
Contributions from current operations	14,088	10,400
Interest earned	184	46
	14,272	10,446
Decreases		
Contributions to current operations	7,832	74
Contributions to capital operations	-	5,450
	7,832	5,524
Balance, end of year	28,259	21,819

Subsequent to year-end, the general fund has been increased by an amount of \$23,265 transferred from reserve and reserve funds as authorized by various resolutions issued subsequent to year-end. Had this increase not been made, the balance of the Township's funds would have been as follows: general fund of \$1,885, reserves of \$1,739,382 and reserve funds of \$28,259.

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

15. DESIGNATED ASSETS

Of the financial assets reported on the Consolidated Statement of Financial Position, the Council has designated \$28,259 [2016 - \$21,819] to support reserve funds.

16. BUDGET FIGURES

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the Consolidated Statement of Operations and Accumulated Surplus has been adjusted to be presented on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the financial statements:

	Approved Fiscal Plan \$	Adjustments \$	Fiscal Plan per Financial Statements \$
Revenue			
Taxation	1,884,477	-	1,884,477
User charges	819,565	-	819,565
Government transfers	4,513,245	(1,388,278)	3,124,967
Other	1,063,182	(837,338)	225,844
	8,280,469	(2,225,616)	6,054,853
Expenses			
General government	1,168,645	(13,953)	1,154,692
Protection to persons and property	378,122	15,171	393,293
Transportation services	744,226	(25,849)	718,377
Environmental services	4,605,630	(3,493,779)	1,111,851
Health services	116,540	10,946	127,486
Social and family services	77,560	7,426	84,986
Recreation and cultural services	595,610	71,024	666,634
Planning and development	365,335	(150,000)	215,335
Library	228,801	(82,177)	146,624
	8,280,469	(3,661,191)	4,619,278
Annual surplus	-	1,435,575	1,435,575
Interfund transfers	(137,677)	(137,677)	
Capital items	3,815,125	3,815,125	
Annual surplus	(333,965)	(333,965)	
Debt repayments	122,530	122,530	
Borrowings	(1,388,278)	(1,388,278)	
Unexpected capital	(7,472)	(7,472)	
Amortization	-	(634,689)	
Approved surplus	2,070,263	1,435,574	

The Corporation of the Township of Schreiber

Notes to the Consolidated Financial Statements

December 31, 2017

17. COMMITMENTS

The Township leases certain equipment under operating leases. As well, the Township has entered into agreements as follows:

An agreement with a trucking company for the collection and removal of garbage. This agreement expires August 31, 2018.

The future payments expected over the next three years are as follows:

	\$
2018	48,356
2019	3,111
2020	3,111
	<hr/> 54,578 <hr/>

18. COMPARATIVE CONSOLIDATED FINANCIAL STATEMENTS

The comparative consolidated financial statements have been reclassified from statements previously presented to conform to the presentation of the 2017 consolidated financial statements.

The Corporation of the Township of Schreiber
Schedule 1
Consolidated Schedule of Accumulated Surplus

Year ended December 31	2017	2016
	\$	\$
Surpluses		
General fund	21,380	326,492
Investment in tangible capital assets	13,054,327	11,142,558
Unfunded		
Post-retirement benefits	(167,783)	-
Debt	(526,282)	(628,386)
Total surpluses	12,381,642	10,840,664
Reserves set aside for specific purposes by Council		
For working capital	470,214	470,214
For fire truck	202,008	156,098
For water and sewer	185,964	132,542
For recreation infrastructure	60,406	60,406
For cemetery expansion	18,011	17,501
For landfill site operations and development	208,086	208,086
For Handitransit	15,907	15,907
For medical centre	-	1,129
For life insurance liabilities	42,338	42,338
For fire department equipment	-	30,385
For infrastructure/development	400,584	284,483
For CRF/LSR adjustment	99,499	99,499
For library	13,100	9,385
Total reserves	1,716,117	1,527,973
Reserve funds set aside for specific purposes by Council		
For recreation committee	28,259	21,819
Total reserves and reserve funds	28,259	21,819
Accumulated surplus	14,126,018	12,390,456

Schedule 2

The Corporation of the Township of Schreiber
Consolidated Schedule of Tangible Capital Assets

Year ended December 31, 2017

	General										Infrastructure			Totals	
	Land \$	Buildings \$	Land Improvements \$	Machinery Equipment \$	Vehicles \$	Furniture and Equipment \$	Computer Hardware and Software \$	Library Collections \$	Sanitary Sewer \$	Roads \$	Water Distribution \$	Work-in-Progress \$	2017 \$	2016 \$	
COST															
Balance, beginning of year	739,402	9,480,913	2,238,462	3,084,227	1,697,100	233,261	78,717	278,982	1,641,387	3,029,719	2,279,116	91,468	24,872,754	24,542,241	
Add	36,357	115,266	-	95,857	231,336	-	-	6,126	-	1,084,727	-	994,405	2,564,074	342,513	
Less	-	16,400	-	-	158,851	-	-	-	-	-	-	-	-	12,000	
Disposals during the year	-	16,748	-	-	-	-	-	-	-	-	-	(16,748)	-	-	
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance, end of year	775,759	9,596,527	2,238,462	3,180,084	1,769,585	233,261	78,717	285,108	1,641,387	4,114,446	2,279,116	1,069,125	27,261,577	24,872,754	
ACCUMULATED AMORTIZATION															
Balance, beginning of year	-	4,372,422	1,566,783	2,531,361	1,088,191	165,237	27,263	172,674	994,021	1,358,281	1,453,963	-	13,730,196	13,138,307	
Add	-	199,673	47,770	84,976	87,020	17,220	7,027	11,280	29,032	108,436	42,255	-	634,689	603,889	
Less	-	16,400	-	-	141,237	-	-	-	-	-	-	-	157,637	12,000	
Disposals	-	4,555,695	1,614,553	2,616,337	1,033,974	182,457	34,290	183,954	1,023,053	1,466,717	1,496,218	-	14,207,248	13,730,196	
Balance, end of year	-	5,108,491	671,679	552,866	608,909	68,024	51,454	106,308	647,366	1,671,438	825,153	91,468	11,142,558	11,403,934	
Net book value of tangible capital assets, beginning of year	739,402	5,108,491	671,679	552,866	608,909	68,024	51,454	106,308	647,366	1,671,438	825,153	91,468	11,142,558	11,403,934	
Net book value of tangible capital assets, end of year	775,759	5,040,832	623,909	563,747	735,611	50,804	44,427	101,154	618,334	2,647,729	782,898	1,069,125	13,054,329	11,142,558	

**The Corporation of the Township of Schreiber
Consolidated Schedule of Segment Disclosure**

Schedule 3

Year ended December 31, 2017

	General Government		Protection to Persons and Property		Transportation Services		Environmental Services		Health Services	
	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$
Revenues										
Taxation	1,900,028	1,877,430	-	-	-	-	-	-	-	-
Government transfers - operating	860,600	842,400	10,990	6,883	-	-	-	-	-	1,346
Government transfers - capital	-	44,684	-	-	87,241	25,000	1,697,790	88,369	-	-
User fees and service charges	2,043	2,121	71,460	18,686	13,942	15,308	693,640	653,495	3,190	7,034
Other municipalities	-	-	-	-	20,935	21,132	-	-	-	-
Other revenues	158,294	148,729	12,112	30,781	6,000	6,000	3,319	3,192	46,588	41,333
Interest income - general	12,390	6,464	-	-	-	-	-	-	-	-
Interest income - reserves and reserve funds	8,548	49	-	-	-	-	-	-	-	-
	2,941,903	2,921,877	94,562	56,350	128,118	67,440	2,394,749	745,056	49,778	49,713
Expenditures										
Salaries, wages and employee benefits	558,416	371,961	53,432	45,589	263,222	274,378	42,664	112,444	14,335	17,789
Long-term debt charges	16,977	17,955	-	-	3,435	5,771	-	-	-	-
Materials	586,870	529,244	64,914	65,350	179,258	191,605	356,240	355,839	30,283	34,545
Contracted services	54,379	57,383	228,194	221,171	-	-	339,315	245,736	-	-
Rent and financials	8,531	7,455	12,356	2,854	374	1,434	20,363	8,132	715	929
External transfers to others	-	-	-	1,547	-	-	-	-	53,986	52,325
Amortization	65,839	62,851	38,171	33,930	180,106	166,091	188,253	188,428	21,046	20,541
	1,291,012	1,046,849	397,067	370,441	626,395	639,279	946,835	910,579	120,365	126,129
Net revenues (expenses) before undernoted item	1,650,891	1,875,028	(302,505)	(314,091)	(498,277)	(571,839)	1,447,914	(165,523)	(70,587)	(76,416)
Gain on disposal of tangible capital assets	9,332	857	-	-	-	-	-	-	-	-
Annual surplus (deficit)	1,660,223	1,875,885	(302,505)	(314,091)	(498,277)	(571,839)	1,447,914	(165,523)	(70,587)	(76,416)

The Corporation of the Township of Schreiber
Consolidated Schedule of Segment Disclosure

Schedule 3 (continued)

Year ended December 31, 2017

	Social and Family Services		Recreation and Cultural Services		Planning and Development		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues								
Taxation	-	-	-	-	-	-	1,900,028	1,877,430
Government transfers - operating	-	-	57,708	71,567	37,973	25,324	967,271	947,520
Government transfers - capital	-	-	221,332	33,501	-	-	2,006,363	191,554
User fees and service charges	6,705	8,160	132,088	121,628	-	-	923,068	826,432
Other municipalities	-	-	-	-	-	-	20,935	21,132
Other revenues	-	-	43,967	34,385	121,912	32,889	392,192	297,309
Interest income - general	-	-	-	-	-	-	12,390	6,464
Interest income - reserves and reserve funds	-	-	-	-	-	-	8,548	49
	6,705	8,160	455,095	261,081	159,885	58,213	6,230,795	4,167,890
Expenditures								
Salaries, wages and employee benefits	-	-	365,482	289,559	125,486	117,870	1,423,037	1,229,590
Long-term debt charges	-	-	-	-	-	-	20,412	23,726
Materials	36,846	35,519	321,021	299,036	48,144	25,155	1,623,576	1,536,293
Contracted services	13,610	16,604	41,919	38,099	12,400	36,801	689,817	615,794
Rent and financials	-	-	-	-	-	-	42,339	20,804
External transfers to others	16,710	18,124	-	-	-	-	70,696	71,996
Amortization	7,426	4,518	133,848	127,528	-	-	634,689	603,887
	74,592	74,765	862,270	754,222	186,030	179,826	4,504,566	4,102,090
Net revenues (expenses) before undernoted item	(67,887)	(66,605)	(407,175)	(493,141)	(26,145)	(121,613)	1,726,229	65,800
Gain on disposal of tangible capital assets	-	-	-	-	-	-	9,332	857
Annual surplus (deficit)	(67,887)	(66,605)	(407,175)	(493,141)	(26,145)	(121,613)	1,735,561	66,657

Independent Auditor's Report

Grant Thornton LLP
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To the Board Members of
Schreiber Public Library Board

We have audited the accompanying financial statements of Schreiber Public Library Board, which comprise the statement of financial position as at December 31, 2017 and the statements of operations and accumulated surplus (deficit), change in net financial assets (debt) 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 control as management determines is 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 control 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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, the financial statements present fairly, in all material respects, the financial position of Schreiber Public Library Board as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Thunder Bay, Canada
May 7, 2018

Chartered Professional Accountants
Licensed Public Accountants

Schreiber Public Library Board Statement of Financial Position

As at December 31	2017	2016
	\$	\$
FINANCIAL ASSETS		
Cash	107	8,436
Due from the Province of Ontario	1,314	1,613
Due from The Corporation of the Township of Schreiber	12,458	-
Total financial assets	13,879	10,049
LIABILITIES		
Accounts payable and accrued liabilities	1,700	1,700
Due to The Corporation of the Township of Schreiber	-	8,542
Deferred revenue	5,069	8,399
Total liabilities	6,769	18,641
NET FINANCIAL ASSETS (DEBT)	7,110	(8,592)
NON-FINANCIAL ASSETS		
Tangible capital assets <i>[note 2]</i>	221,829	128,274
Accumulated surplus <i>[note 3]</i>	228,939	119,682

See accompanying notes to the financial statements.

Schreiber Public Library Board

Statement of Operations and Accumulated Surplus (Deficit)

Year ended December 31	2017	2017	2016
	Budget	Actual	Actual
	\$	\$	\$
	<i>[note 5]</i>		
REVENUES			
Municipal contribution	221,866	221,866	110,285
Province of Ontario grants	4,160	25,530	14,360
Government of Canada grants	990	1,026	5,014
Other revenue	1,785	3,760	5,318
Total revenues	228,801	252,182	134,977
EXPENSES			
Amortization	12,823	12,823	12,817
Community programs	2,354	3,125	3,851
Computer	4,780	6,001	4,375
Insurance	965	965	842
Library office supplies	1,800	1,869	1,788
Maintenance and repairs	2,100	1,532	2,306
Miscellaneous	1,000	850	722
Office equipment	2,550	2,253	2,470
Periodicals and audio visual materials	1,300	1,312	2,551
Professional development	500	408	714
Professional fees	1,700	1,700	763
Salaries and benefits	88,652	83,496	82,688
Special projects	6,600	16,724	19,720
Telephone and postage	2,500	2,284	2,283
Travel and conventions	1,500	1,375	2,291
Utilities	9,500	6,208	7,874
Total expenses	140,624	142,925	148,055
Annual surplus (deficit)	88,177	109,257	(13,078)
Accumulated surplus, beginning of year	-	119,682	132,760
Accumulated surplus, end of year	88,177	228,939	119,682

See accompanying notes to the financial statements.

Schreiber Public Library Board

Statement of Change in Net Financial Assets (Debt)

Year ended December 31	2017	2017	2016
	Budget	Actual	Actual
	\$	\$	\$
	<i>[note 5]</i>		
Annual surplus (deficit)	88,177	109,257	(13,078)
Acquisition of tangible capital assets	(101,000)	(106,378)	(21,773)
Amortization of tangible capital assets	12,823	12,823	12,817
Increase (decrease) in net financial assets	-	15,702	(22,034)
Net financial assets (debt), beginning of year	-	(8,592)	13,442
Net financial assets (debt), end of year	-	7,110	(8,592)

See accompanying notes to the financial statements.

Schreiber Public Library Board

Statement of Cash Flows

Year ended December 31	2017	2016
	\$	\$
OPERATIONS		
Annual surplus (deficit)	109,257	(13,078)
Non-cash charges		
Amortization of tangible capital assets	12,823	12,817
	122,080	(261)
Net change in non-cash working capital balances		
Decrease in due from the Province of Ontario	299	2,078
Decrease (increase) in due from The Corporation of the Township of Schreiber	(21,000)	24,702
Increase (decrease) in deferred revenue	(3,330)	3,690
Cash provided by operating transactions	98,049	30,209
CAPITAL		
Acquisition of tangible capital assets	(106,378)	(21,773)
Cash used in capital transactions	(106,378)	(21,773)
Increase (decrease) in cash and cash equivalents	(8,329)	8,436
Opening cash and cash equivalents	8,436	-
Closing cash and cash equivalents	107	8,436

See accompanying notes to the financial statements.

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2017

GENERAL

The Schreiber Public Library Board is dedicated to providing community access to local and global information resources that support lifelong learning, research and leisure activities.

The Schreiber Public Library Board is a municipal organization.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements of the Schreiber Public Library Board are prepared by management in accordance with accounting policies generally accepted for the local government as prescribed by the Public Sector Accounting Board ("PSAB") of CPA Canada. The more significant of these accounting policies are as follows:

Accrual accounting

The Library uses the accrual basis of accounting which recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or its equivalent. It recognizes a liability until the obligation or conditions underlying the liability is partly or wholly satisfied and recognizes an asset until the future economic benefit underlying the assets is partly or wholly used or lost.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus (deficit), provides the change in net financial assets (debt) for the year.

[a] Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and write-downs, if any. Cost includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	20 to 60 years
Computer hardware	5 to 10 years
Furniture and equipment	5 to 25 years
Library collections	25 years

Assets under construction are not amortized until the asset is available for productive use, at which time they are transferred to their respective tangible capital asset categories.

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2017

[b] Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

[c] Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property to the Library are accounted for as the acquisition of a capital asset and the incurrence of an obligation. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Reporting entity

The financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus (deficit) of the Library Board.

Revenue recognition

Funds received, other than government transfers, for specific purposes which are externally restricted by legislation, regulation or agreement and that are not available for general purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the Statement of Operations and Accumulated Surplus (Deficit) in the year in which it is used for the specified purpose.

Government transfers

Government transfers are transfers of monetary assets or tangible capital assets from a government to an individual, an organization or another government that are not the result of an exchange transaction, expected to be repaid in the future or expected to produce a direct financial return. Government transfers received are recognized in the financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers made to a recipient by the Library are recorded as an expense when they are authorized and the recipient meets all eligibility criteria.

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2017

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions that the Library Board may undertake in the future. Significant accounting estimates include allowance for doubtful accounts and useful lives of tangible capital assets. Actual results could differ from those estimates.

2. TANGIBLE CAPITAL ASSETS

	Buildings \$	Library Collections \$	Computer Hardware \$	Furniture and Equipment \$	Work-in- Progress \$	2017 Total \$	2016 Total \$
COST							
Balance, beginning of year	23,800	278,983	29,349	49,875	16,748	398,755	376,982
Add:							
Additions during the year	100,252	6,126	-	-	-	106,378	21,773
Transfers	16,748	-	-	-	(16,748)	-	-
Balance, end of year	140,800	285,109	29,349	49,875	-	505,133	398,755
ACCUMULATED AMORTIZATION							
Balance, beginning of year	23,800	172,674	24,801	49,206	-	270,481	257,664
Add:							
Amortization during the year	-	11,281	1,324	218	-	12,823	12,817
Balance, end of year	23,800	183,955	26,125	49,424	-	283,304	270,481
Net book value of tangible capital assets, beginning of year	-	106,309	4,548	669	16,748	128,274	119,318
Net book value of tangible capital assets, end of year	117,000	101,154	3,224	451	-	221,829	128,274

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2017

3. ACCUMULATED SURPLUS

	2017	2016
	\$	\$
General fund	7,110	(8,592)
Investment in tangible capital assets	221,829	128,274
Total	228,939	119,682

4. COMMITMENTS

The Library leases various office equipment under operating leases. The future minimum annual lease payments over the next three years are as follows:

	\$
2018	1,220
2019	1,220
2020	915
Total	3,355

5. BUDGET FIGURES

The operating budget approved by the Library Board for 2017 is reflected on the Statement of Operations and Accumulated Surplus (Deficit). The budget established for capital investment in tangible capital assets is on a project-oriented basis, the costs of which may be incurred over a number of years and therefore may not be comparable with the current year's actual expenses. Budget figures have been restated to be comparable with the PSAB reporting reflected in the actual results. Below is a reconciliation of figures from the approved fiscal plan to the fiscal plan per the financial statements.

Schreiber Public Library Board

Notes to the Financial Statements

December 31, 2017

	Approved Fiscal Plan \$	Adjustments \$	Fiscal Plan per Financial Statements \$
Revenue			
Municipal contribution	221,866	-	221,866
Province of Ontario grants	4,160	-	4,160
Government of Canada grants	990	-	990
Other	1,785	-	1,785
	228,801	-	228,801
Expenses			
Amortization	-	12,823	12,823
Community programs	2,354	-	2,354
Computer	4,780	-	4,780
Insurance	965	-	965
Library office supplies	1,800	-	1,800
Maintenance and repairs	97,100	(95,000)	2,100
Miscellaneous	1,000	-	1,000
Office equipment	2,550	-	2,550
Periodicals and audio visual materials	7,300	(6,000)	1,300
Professional development	500	-	500
Professional fees	1,700	-	1,700
Salaries and benefits	88,652	-	88,652
Special projects	6,600	-	6,600
Telephone and postage	2,500	-	2,500
Travel and conventions	1,500	-	1,500
Utilities	9,500	-	9,500
	228,801	(88,177)	140,624
Annual surplus	-	88,177	88,177
Capital items	101,000	101,000	
Amortization	-	(12,823)	
Approved surplus	101,000	88,177	

Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Township of Schreiber Trust Funds

We have audited the accompanying financial statements of the Trust Funds of The Corporation of the Township of Schreiber, which comprise the statement of financial position as at December 31, 2017, and the statement of operations and fund balances 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 accounting standards for not-for-profit organizations, and for such internal control as management determines is 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 control 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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, the financial statements present fairly, in all material respects, the financial position of the Trust Funds of The Corporation of the Township of Schreiber as at December 31, 2017, and the results of its operations for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Thunder Bay, Canada
May 7, 2018

Chartered Professional Accountants
Licensed Public Accountants

**The Corporation of the Township of Schreiber
Trust Funds
Statement of Financial Position**

As at December 31

			2017	2016
	Cemetery Perpetual Care \$	Cemetery Prepaid Services \$	Total \$	Total \$
FINANCIAL ASSETS				
Cash	102,159	154	102,313	100,317
Due from The Corporation of the Township of Schreiber	-	-	-	210
	102,159	154	102,313	100,527
Accumulated surplus	102,159	154	102,313	100,527

See accompanying notes to the financial statements.

**The Corporation of the Township of Schreiber
Trust Funds
Statement of Operations and Fund Balances**

Year ended December 31	2017		2016	
	Cemetery Perpetual Care \$	Cemetery Prepaid Services \$	Total \$	Total \$
REVENUES				
Capital receipts	630	-	630	1,310
Interest earned	1,156	-	1,156	58
	1,786	-	1,786	1,368
EXPENSES				
	-	-	-	-
Annual surplus	1,786	-	1,786	1,368
Accumulated surplus, beginning of year	100,373	154	100,527	99,159
Accumulated surplus, end of year	102,159	154	102,313	100,527

See accompanying notes to the financial statements.

**The Corporation of the Township of Schreiber
Trust Funds
Statement of Cash Flows**

Year ended December 31	2017	2016
	\$	\$
OPERATING ACTIVITIES		
Annual surplus	1,786	1,368
Net change in non-cash working capital		
Decrease in due from The Corporation of the Township of Schreiber	210	40
Cash provided by operating transactions	1,996	1,408
Increase in cash during year	1,996	1,408
Cash, beginning of year	100,317	98,909
Cash, end of year	102,313	100,317

See accompanying notes to the financial statements.

**The Corporation of the Township of Schreiber
Trust Funds
Notes to the Financial Statements**

December 31, 2017

1. NATURE OF BUSINESS

The Corporation of the Township of Schreiber administers a perpetual care trust fund for the future care of the cemetery. The cemetery provides interment services for the benefit of the citizens of Schreiber.

2. ACCOUNTING POLICY

Basis of accounting

These financial statements of the Trust Funds have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenues and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable, and expenses as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.