

VILLAGE OF BATH
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012

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INDEPENDENT AUDITORS' REPORT

TO HIS WORSHIP THE MAYOR AND MEMBERS OF THE COUNCIL VILLAGE OF BATH

We have audited the accompanying consolidated financial statements for the Village of Bath, which comprise the consolidated statement of financial position as at December 31, 2012 and the consolidated statements of operations and accumulated surplus, changes in net 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 Consolidated 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 control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 the accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Village of Bath as at December 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.


CHARTERED ACCOUNTANTS

FLORENCEVILLE-BRISTOL, NB

November 25, 2013

**VILLAGE OF BATH
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2012**

2.

	2012 \$	Restated 2011 \$	Restated 2010 \$
FINANCIAL ASSETS			
Cash	12,817	29,491	21,289
Receivables (Note 4)	46,665	95,698	42,169
Federal Government and its agencies (Note 5)	65,733	89,480	37,789
Investments (Note 6)	<u>3,620</u>	<u>151,552</u>	<u>23,000</u>
	<u>128,835</u>	<u>366,221</u>	<u>124,247</u>
LIABILITIES			
Bank loan (Note 7)	67,000	23,000	15,000
Payables and accruals (Note 8)	128,530	330,835	65,229
Long term debt (Note 9)	<u>437,000</u>	<u>560,000</u>	<u>646,000</u>
	<u>632,530</u>	<u>913,835</u>	<u>726,229</u>
NET DEBT	<u>(503,695)</u>	<u>(547,614)</u>	<u>(601,982)</u>
NON-FINANCIAL ASSETS			
Tangible capital assets (Note 10)	6,808,318	6,212,291	5,310,298
Accumulated amortization (Note 10)	<u>(2,264,583)</u>	<u>(2,159,456)</u>	<u>(2,023,518)</u>
	4,543,735	4,052,835	3,286,780
Inventory of supplies	3,772	2,020	5,431
Prepaid expenses	<u>17,017</u>	<u>17,425</u>	<u>16,440</u>
	<u>4,564,524</u>	<u>4,072,280</u>	<u>3,308,651</u>
ACCUMULATED SURPLUS	<u>4,060,829</u>	<u>\$3,524,666</u>	<u>2,706,669</u>

Approved by:

Mayor

Clerk

November 25, 2013

**VILLAGE OF BATH
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2012**

3.

		<u>2012</u>		<u>2011</u>
		Budget	Actual	Actual
		\$	\$	\$
Revenue				
Warrant of assessment		315,478	315,479	320,064
Services to other governments	15	2,480	3,384	2,481
Other own source	15	30,665	31,318	34,183
Unconditional transfers from other governments		47,356	47,356	48,319
Conditional transfers from Federal or Province	15	39,789	658,578	908,961
Water and sewer	15	190,342	196,615	176,770
Gain on sale of tangible assets	15	12,000	21,225	-
Interest		1,110	3,307	2,842
Other		409	3,286	6,695
		<u>639,629</u>	<u>1,280,548</u>	<u>1,500,315</u>
Expenditures				
General government services	16	90,642	120,947	110,052
Protective	16	104,968	105,551	103,905
Transportation	16	53,312	95,917	78,286
Environmental health	16	37,116	34,507	37,789
Environmental development	16	18,419	58,856	33,213
Recreation and cultural	17	69,590	74,095	69,636
Water and sewer	17	139,455	228,845	222,564
Interest	17	25,100	25,667	26,872
		<u>538,602</u>	<u>744,385</u>	<u>682,317</u>
Annual Surplus (deficit)		101,027	536,163	817,998
Accumulated Surplus, beginning of year		<u>-</u>	<u>3,524,666</u>	<u>2,706,669</u>
Accumulated Surplus, end of year		<u>101,027</u>	<u>4,060,829</u>	<u>3,524,666</u>

**VILLAGE OF BATH
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED DECEMBER 31, 2012**

4.

	2012 \$	2011 \$
Annual Surplus	536,163	817,998
Acquisition of tangible capital assets	(658,694)	(901,993)
Proceeds on disposal of tangible capital assets	28,028	-
Amortization of tangible capital assets	160,991	135,938
(Gain) loss on sale of tangible capital assets	<u>(21,225)</u>	<u>-</u>
	45,263	51,943
Acquisition of inventories	(3,772)	(2,020)
Acquisition of prepaid assets	(17,017)	(17,425)
Consumption of inventories	2,021	5,430
Use of prepaid assets	<u>17,425</u>	<u>16,440</u>
	(1,343)	2,425
(Increase)/Decrease in Net Assets (Debt)	43,920	54,368
Net Debt, beginning of the year	<u>(547,614)</u>	<u>(601,982)</u>
Net Debt, end of the year	<u>(503,695)</u>	<u>(547,614)</u>

**VILLAGE OF BATH
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2012**

5.

	2012 \$	2011 \$
Operating		
Annual Surplus	536,163	817,998
Amortization of tangible capital assets	160,991	135,938
(Gain) loss on sale of tangible capital assets	<u>(21,225)</u>	-
	675,929	953,936
Change in non-cash items		
Receivable - General	49,032	(53,529)
Receivable - Federal Government and its agencies	23,747	(51,691)
Payables and accruals	<u>(202,305)</u>	265,606
	(129,526)	160,386
	<u>546,403</u>	<u>1,114,322</u>
Capital transactions		
Acquisition of tangible capital assets	(658,694)	(901,993)
Proceeds on disposal of tangible capital assets	28,028	-
Change in inventory/prepaid expenses	<u>(1,343)</u>	2,425
	(632,009)	(899,568)
Financing transactions		
Bank loan	44,000	8,000
Long-term debt	<u>(123,000)</u>	(86,000)
	(79,000)	(78,000)
Investing transactions		
Investments	<u>147,932</u>	(128,552)
(Decrease) increase in cash and cash equivalents	(16,674)	8,202
Cash and cash equivalents, beginning of the year	<u>29,491</u>	21,289
Cash and cash equivalents, end of the year	<u>12,817</u>	<u>29,491</u>

VILLAGE OF BATH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

6.

1. Purpose of the Organization

The Village of Bath was incorporated as a Village by the Province of New Brunswick Municipalities Act on November 9, 1966. As a municipality, the Village is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act. The Village provides municipal services such as police, fire, public works, engineering, parks and recreation, community development and other general government operations.

2. Change in Accounting Policy

The consolidated financial statements of the Village of Bath are the representation of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The Village has adopted PSAB as of January 1, 2011. The focus of PSAB financial statements is on the financial position of the Village and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Village.

The December 31, 2011 figures presented for comparative purposes have been restated from those previously reported. The following adjustments were made to prior periods:

	2011
	\$
Adjustments to Annual Surplus	
Annual deficit, as previously reported in operating funds	\$ (80)
Annual surplus of other funds (Capital and Reserve)	88,727
Add: Contributed assets not previously recognized	865,205
Less: Amortization of tangible assets	(135,938)
Less: Deficit of second previous year	<u>84</u>
Annual surplus as restated (Page 13)	<u>\$ 817,998</u>

The following are the adjustments to tangible capital assets for December 31, 2011:

As previously reported	\$6,357,051
Assets contributed in the year	865,205
Historical amortization expense recorded	(2,023,518)
Amortization expense recorded during the year	(135,938)
Assets disposed in anticipation of PSAB	<u>(1,009,965)</u>
Adjusted Net Book Value (Note 10)	<u>\$4,052,835</u>

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Village of Bath are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The Village has adopted PSAB as of January 1, 2011. The focus of PSAB financial statements is on the financial position of the Village and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Village. Significant aspects of the accounting policies adopted by the Village are as follows:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Village and which are owned or controlled by the Village. Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these financial statements were approved by Council on January 9, 2012.

Revenue Recognition

Unrestricted revenue is recorded on an accrual basis and is recognized when collection is reasonably assured.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Other revenue is recorded when it is earned.

Use of Estimates

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates.

Financial Instruments

The Village's financial instruments consist of cash, short-term investments, accounts receivable, due from the Federal Government, bank loan, payables and accruals and long-term debt. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted. The Village is subject to credit risk through accounts receivable. The Village minimizes credit risk through ongoing credit management.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital Assets

Effective January 1, 2011, the Village adopted the provisions of PSAB section 3150 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 of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

Buildings	40 years
Vehicles and Equipment	5 years
Computer Hardware	5 years
Roads, Streets, Sidewalks and Culverts	15-30 years
Water and Wastewater Networks	30-100 years

Restricted Funds

Under the Municipalities Act of New Brunswick, council may establish discretionary reserves. These reserves may be used as operating or capital reserves. Transfers to and from reserve funds are recorded as an adjustment to the accumulated surplus of that fund. The Village of Bath sets aside any funds for these purposes as restricted cash on the consolidated statement of financial position.

Segmented Information

The Village of Bath is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Village's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments as follows:

General Government Services

This department is responsible for the overall financial and local government administration. Its tasks include tax billings and payments, trade payables and receivables, budgets, financial statements, adherence to the Municipal Government Act, bylaw administration, and information technology management.

Protective Services

This department is responsible for the provision of policing, fire, emergency measures, animal control and other protective measures.

Transportation Services

This includes winter and summer street maintenance under municipal control, street lights, and other transportation related services.

Environmental Health and Development Services

This includes waste collections and disposal, planning and zoning, community development, tourism and other promotion services.

**VILLAGE OF BATH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recreation and Cultural

This includes the maintenance and operation of recreation facilities, parks and playgrounds, and beautification.

Water and Wastewater

This includes the provision of water and sewer services including the maintenance and operation of underground networks.

4. RECEIVABLES

	2012	2011
	\$	\$
Trade receivables - General Operating	3,474	70,342
Water and Sewer Receivables	<u>43,191</u>	<u>25,356</u>
	<u>46,665</u>	<u>95,698</u>

5. DUE FROM GOVERNMENT AND ITS AGENCIES

	2012	2011
	\$	\$
HST receivable - General Operating	63,044	89,313
HST Water and Sewer Receivable	<u>2,689</u>	<u>167</u>
	<u>65,733</u>	<u>89,480</u>

6. INVESTMENTS

The investments consist of guaranteed investment certificates with a maturity date of August 12, 2013 at an interest rate of 1.35%.

7. BANK LOANS

Bank loans consist of short term borrowings as approved by the Municipal Capital Borrowing Board. For 2012, \$25,000 relates to refinancing of debenture AN27 which was approved by the capital borrowing board under ministerial order (M.O.) 02-0224 and \$10,000 relates to financing under M.O. 12-054. For 2011, \$23,000 had been approved under M.O. 11-0109. The loans were subsequently converted to long-term debt.

Operating Borrowing Compliance

As prescribed in the Municipalities Act, borrowing to finance General Revenue Fund operations is limited to 4% of the Municipality's budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2012 and 2011, the Village has complied with these restrictions.

**VILLAGE OF BATH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

10.

8. ACCOUNTS PAYABLE

	2012	2011
	\$	\$
Accounts Payable	128,835	147,521
Contractors Holdbacks	-	183,314
	<u>128,835</u>	<u>330,835</u>

9. LONG-TERM DEBT

	2012	2011
	\$	\$
General Capital		
Series AY-25, 10 year debenture 1.5% - 3.85% due May 2018	6,000	7,000
Series AZ-38, 15 year debenture 2.1% - 5.55% due December 2023	154,000	165,000
Series BD-32, 4 year debenture 1.5% - 2.25% due November 2014	79,000	118,000
Series BG-2012, 10 year debenture 1.65% - 3.4% due June 2022	23,000	-
	<u>262,000</u>	<u>290,000</u>
Utility Capital		
Series BD 33, 10 year debenture 1.5% - 3.85% due November 2020	16,000	18,000
Series BB 37, 9 year debenture 1.0% - 4.5% due November 2019	32,000	36,000
Series AY 26, 10 year debenture 3.3% - 4.85% due May 2018	32,000	44,000
Series AZ 39, 15 year debenture 2.1% - 5.55% due November 2023	95,000	105,000
Series AN2710, 10 year debenture 3.31% - 5.66% due December 2012; \$57,000 may be refinanced at that time for a period not exceeding 5 years	-	67,000
	<u>175,000</u>	<u>270,000</u>
	<u>437,000</u>	<u>560,000</u>

Approximate principal repayments required during the next five years:

2013	80,000
2014	85,000
2015	47,000
2016	49,000
2017	51,000

**VILLAGE OF BATH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

11.

10. TANGIBLE CAPITAL ASSETS

	Vehicles and Equipment	Buildings	Roads Streets Curbs & Sidewalks	Water & Sewer Pipes	Water & Sewer Facilities	Storm Sewer	CIP	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost								
Opening Balance	83,519	233,080	1,438,926	2,493,493	1,539,535	423,738	-	6,212,291
Additions during the year	29,905	-	414,365	10,498	4,328	194,541	5,057	658,694
Disposals during the year	(62,667)	-	-	-	-	-	-	(62,667)
Closing balance	<u>50,757</u>	<u>233,080</u>	<u>1,853,291</u>	<u>2,503,991</u>	<u>1,543,863</u>	<u>618,280</u>	<u>5,057</u>	<u>6,808,318</u>
Accumulated Amortization								
Opening Balance	55,853	158,002	576,448	832,789	492,649	43,715	-	2,159,456
Amortization during the year	13,428	4,560	61,628	43,620	29,584	8,171	-	160,991
Disposals during the year	(55,864)	-	-	-	-	-	-	(55,864)
	<u>13,417</u>	<u>162,562</u>	<u>638,076</u>	<u>876,410</u>	<u>522,233</u>	<u>51,885</u>	<u>-</u>	<u>2,264,583</u>
Net Book Value - December 2012	<u>37,340</u>	<u>70,518</u>	<u>1,215,215</u>	<u>1,627,581</u>	<u>1,021,630</u>	<u>566,395</u>	<u>5,057</u>	<u>4,543,735</u>
Net Book Value - December 2011	<u>27,667</u>	<u>75,078</u>	<u>862,478</u>	<u>1,660,703</u>	<u>1,046,885</u>	<u>380,025</u>	<u>-</u>	<u>4,052,835</u>

11. INTER-FUND BORROWING

The Municipal Financial Reporting Manual requires that short-term inter-fund borrowings be repaid in the next year unless the borrowing is for a capital project. The amounts payable between funds are in compliance with these requirements.

12. SCHEDULE OF ACCUMULATED SURPLUS RECONCILIATION

Schedule 1 and 2.

13. SUPPLEMENTARY SCHEDULES ADDITIONAL SCHEDULES FOR NEW BRUNSWICK

Schedule 3.

VILLAGE OF BATH
SCHEDULES 1 AND 2 - SCHEDULE OF ANNUAL SURPLUS RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2012

12.

The Department of Local Government of New Brunswick has requested some disclosures in addition to the Canadian Public Sector Accounting Standard for monitoring purposes. The Village has provided these disclosure requirements in the following pages.

1. RECONCILIATION OF ANNUAL SURPLUS

	General Operating Fund	General Capital Fund	Utility Operating Fund	Utility Capital Fund	Operating Reserve Fund	Capital Reserve Fund	Utility Op. Reserve Fund	Utility Cap. Reserve Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
2012 Annual Surplus/(deficit)	468	80,905	1,086	47,883	(22,200)	(13,175)	-	57	95,024
Adjustments to annual surplus/ deficit for funding requirements									
Second previous year (surplus)/deficit	703	-	(676)	-	-	-	-	-	27
Transfer from Operating to Capital	29,905	9,883	(29,905)	(9,883)	-	-	-	-	-
Transfer from Operating to Reserve	16,000	56	-	-	(16,000)	-	-	(57)	-
Transfer from Reserve to Operating	(38,200)	-	-	-	38,200	-	-	-	-
Transfer from Reserve to Capital	(13,175)	-	-	-	-	13,175	-	-	-
Proceeds on sale of fixed assets	(28,028)	-	-	-	-	-	-	-	(28,028)
Gain on sales of tangible assets	21,225	-	-	-	-	-	-	-	21,225
Amortization expense	-	(83,616)	-	(77,375)	-	-	-	-	(160,991)
Contributed tangible assets	608,906	-	-	-	-	-	-	-	608,906
Total adjustments	597,336	(73,677)	(30,581)	(87,258)	22,200	13,175	-	(57)	441,139
2012 Annual Fund Surplus	597,804	7,228	(29,495)	(39,375)	-	-	-	-	536,163

VILLAGE OF BATH
SCHEDULES 1 AND 2 - SCHEDULE OF ANNUAL SURPLUS RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2012

The Department of Local Government of New Brunswick has requested some disclosures in addition to the Canadian Public Sector Accounting Standard for monitoring purposes. The Village has provided these disclosure requirements in the following pages.

	General Operating Capital \$	General Capital \$	Utility Operating \$	Utility Capital \$	Operating Reserve \$	Capital Reserve \$	Utility Op. Reserve \$	Utility Cap. Reserve \$	Total \$
2011 Annual Fund Surplus as previously reported	665	49,354	(745)	50,434	8,200	175	(10,000)	(9,436)	88,647
Second previous year (surplus)/deficit	293	-	(209)	-	-	-	-	-	84
Amortization expense	-	(59,270)	-	(76,668)	-	-	-	-	(135,938)
Contributed Tangible Assets	-	865,205	-	-	-	-	-	-	865,205
2011 Annual Surplus (deficit) per PSAB requirements	958	855,289	(954)	(26,234)	8,200	175	(10,000)	(9,436)	817,998
Accumulated surplus (deficit) before prior period adjustments January 1, 2011	(996)	846,492	885	4,827,772	30,000	13,000	10,000	13,000	5,740,153
Accumulated surplus/(deficit) prior to period adjustments	(38)	1,701,781	(69)	4,801,538	38,200	13,175	-	3,564	6,558,151
Prior Period Adjustments	-	(684,132)	-	(2,349,353)	-	-	-	-	(3,033,485)
Accumulated Surplus/(deficit) per PSAB requirement, Dec. 31, 2011	(38)	1,017,649	(69)	2,452,185	38,200	13,175	-	3,564	3,524,666

**VILLAGE OF BATH
SCHEDULES 1 AND 2 - SCHEDULE OF ANNUAL SURPLUS RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2012**

14a.

The Department of Local Government of New Brunswick has requested some disclosures in addition to the Canadian Public Sector Accounting Standard for monitoring purposes. The Village has provided these disclosure requirements in the following pages.

RECONCILIATION OF OPERATING BUDGET TO PUBLIC SECTOR ACCOUNTING FOR THE YEAR ENDED DECEMBER 31, 2012

	GENERAL OPERATING	UTILITY OPERATING	CAPITAL RESERVE	UTILITYCAP. RESERVE	ELIMINATION ENTRIES	PSAB ENTRIES	TOTAL
	\$	\$	\$	\$	\$	\$	\$
REVENUE							
Property Tax Warrant	315,478	-	-	-	-	-	315,478
Services other governments	2,480	-	-	-	-	-	2,480
Other own source	30,665	-	-	-	-	-	30,665
Unconditional transfers from other governments	47,356	-	-	-	-	-	47,356
Conditional transfers from Federal or Province	39,789	-	-	-	-	-	39,789
Residential, Commercial & Industrial Water/Sewer	-	190,121	-	-	-	-	190,121
Transfer from General Operating Fund	-	-	10,000	-	(10,000)	-	-
Transfer from General Operating Reserve Fund	-	-	-	-	-	-	-
Transfer from General Capital Reserve Fund	-	-	-	-	-	-	-
Transfer from Utility Operating Fund	-	-	-	2,000	(2,000)	-	-
Transfer from Utility Operating Reserve Fund	-	-	-	-	-	-	-
Transfer from Utility Capital Reserve Fund	-	-	-	-	-	-	-
Gain on Sales of Tangible Assets	12,000	-	-	-	-	-	12,000
Other	-	630	-	-	-	-	630
Interest	-	1,110	-	-	-	-	1,110
Surplus of second previous year	-	676	-	-	-	(676)	-
	447,768	192,537	10,000	2,000	(12,000)	(676)	639,629
EXPENDITURES							
General government services	90,642	-	-	-	-	-	90,642
Protective services	104,968	-	-	-	-	-	104,968
Transportation services	53,312	-	-	-	-	-	53,312
Environmental health services	37,116	-	-	-	-	-	37,116

**VILLAGE OF BATH
SCHEDULES 1 AND 2 - SCHEDULE OF ANNUAL SURPLUS RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2012**

The Department of Local Government of New Brunswick has requested some disclosures in addition to the Canadian Public Sector Accounting Standard for monitoring purposes. The Village has provided these disclosure requirements in the following pages.

**RECONCILIATION OF OPERATING BUDGET TO PUBLIC SECTOR ACCOUNTING FOR THE YEAR ENDED DECEMBER 31, 2012
(continued)**

	GENERAL OPERATING	UTILITY OPERATING	CAPITAL RESERVE	UTILITYCAP. RESERVE	ELIMINATION ENTRIES	PSAB ENTRIES	TOTAL
	\$	\$	\$	\$	\$	\$	\$
EXPENDITURES (continued)							
Environmental development services	18,419	-	-	-	-	-	18,419
Recreational and cultural services	69,590	-	-	-	-	-	69,590
Fiscal (debt repayments, interest, bank charges, etc)	63,018	51,082	-	-	(89,000)	-	25,100
Deficit of Second Previous Year	703	-	-	-	(703)	-	-
Water system	-	75,743	-	-	-	-	75,743
Sewer system	-	63,712	-	-	-	-	63,712
Transfer to General Capital Fund	-	-	-	-	-	-	-
Transfer to General Operating Reserve Fund	-	-	-	-	-	-	-
Transfer to General Capital Reserve Fund	10,000	2,000	-	-	(12,000)	-	-
Transfer to General Operating Fund	-	-	-	-	-	-	-
Transfer to Utility Capital Fund	-	-	-	-	-	-	-
Transfer to Utility Operating Reserve Fund	-	-	-	-	-	-	-
Transfer to Utility Capital Reserve Fund	-	-	-	-	-	-	-
Extraordinary item	-	-	-	-	-	-	-
	447,768	192,537	-	-	(12,000)	(89,703)	538,602
ANNUAL SURPLUS	-	-	10,000	2,000	-	89,027	101,027

**VILLAGE OF BATH
SCHEDULE 3 - SCHEDULE OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2012**

15.

	Budget \$	2012 Actual \$	2011 Actual \$
SERVICES OTHER GOVERNMENTS			
Province - lane marking	<u>2,480</u>	<u>3,384</u>	<u>2,481</u>
OTHER OWN SOURCE			
Recreation and culture - pool	9,000	11,622	9,398
- other	5,190	5,706	5,862
Environmental development	13,200	10,303	13,200
Construction - building permits	250	470	445
Building rentals	25	50	25
Interest revenue	-	167	883
Other	3,000	3,000	4,370
	<u>30,665</u>	<u>31,318</u>	<u>34,183</u>
CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCE			
Gas tax revenue	39,789	39,789	39,789
Build Canada grant	-	9,883	3,967
Contributed Assets from Hospital Street	-	608,906	865,205
	<u>39,789</u>	<u>658,578</u>	<u>908,961</u>
WATER AND SEWER			
Water supply - Residential	50,522	52,857	44,415
Water supply - Commercial	24,928	22,350	24,475
Water supply - Institutional	22,399	25,827	19,023
Sewer collection and disposal - Residential	50,142	52,447	48,528
Sewer collection and disposal - Commercial	24,052	21,406	21,306
Sewer collection and disposal - Institutional	18,299	21,728	19,023
	<u>190,342</u>	<u>196,615</u>	<u>176,770</u>
GAIN ON SALE OF TANGIBLE ASSETS			
Gain on sale of General Capital Assets	<u>12,000</u>	<u>21,225</u>	<u>-</u>

**VILLAGE OF BATH
SCHEDULE 4 - SCHEDULE OF EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2012**

16a.

	2012 Budget \$	2012 Actual \$	2011 Actual \$
GENERAL GOVERNMENT SERVICES			
Mayor	4,858	4,873	4,859
Councillors	7,144	7,169	7,540
Mayor and council - other	1,410	1,123	1,591
Clerk	38,964	39,638	37,009
Office building	19,841	17,285	15,678
Solicitor	-	-	228
Audit	3,200	2,793	3,200
Cost of assessment	4,235	4,235	4,141
Insurance	6,818	6,796	6,600
Amortization	-	29,039	25,677
Other	4,172	7,996	3,529
	<u>90,642</u>	<u>120,947</u>	<u>110,052</u>
PROTECTIVE SERVICES			
Police - RCMP	62,976	62,976	59,392
Fire	32,769	32,769	32,409
Water cost	-	-	5,000
Animal control	3,726	3,723	3,723
Building inspection	5,497	6,083	3,381
	<u>104,968</u>	<u>105,551</u>	<u>103,905</u>
TRANSPORTATION SERVICES			
Summer maintenance	8,368	5,406	7,882
Culverts and drainage	259	-	209
Snow and ice drainage	27,047	26,837	28,042
Street lighting	15,072	14,891	15,066
Amortization	-	45,684	24,289
Other	2,566	3,099	2,798
	<u>53,312</u>	<u>95,917</u>	<u>78,286</u>
ENVIRONMENTAL HEALTH SERVICES			
Garbage disposal	<u>37,116</u>	<u>34,507</u>	<u>37,789</u>
ENVIRONMENTAL DEVELOPMENT SERVICES			
Beautification and land rehabilitation	18,419	52,463	26,410
Amortization	-	6,393	6,803
	<u>18,419</u>	<u>58,856</u>	<u>33,213</u>

VILLAGE OF BATH
SCHEDULE 4 - SCHEDULE OF EXPENSES (continued)
FOR THE YEAR ENDED DECEMBER 31, 2012

16b.

	Budget \$	2012 Actual \$	2011 Actual \$
RECREATIONAL AND CULTURAL SERVICES			
Swimming pool	44,922	51,888	39,845
Other recreation	24,668	19,707	27,291
Amortization	-	2,500	2,500
	<u>69,590</u>	<u>74,095</u>	<u>69,636</u>
WATER AND SEWER			
Water supply	75,743	81,339	82,002
Sewer collection and disposal	63,712	70,132	63,894
Amortization - water	-	46,155	45,933
Amortization - sewer	-	31,219	30,735
	<u>139,455</u>	<u>228,845</u>	<u>222,564</u>
INTEREST EXPENSES			
General Fund	12,018	12,397	12,537
Utility Fund	13,082	13,270	14,335
	<u>25,100</u>	<u>25,667</u>	<u>26,872</u>
	<u>538,602</u>	<u>744,385</u>	<u>682,317</u>

**VILLAGE OF BATH
SCHEDULE 5 - STATEMENT OF RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2012**

17.

	General Operating \$	General Capital \$	Utility Capital \$	Total 2012 \$	Total 2011 \$
ASSETS					
Investments	-	-	3,620	3,620	51,505
Due from Operating (net)	16,000	-	-	16,000	3,434
Accumulated Surplus	<u>16,000</u>	<u>-</u>	<u>3,620</u>	<u>19,620</u>	<u>54,939</u>
REVENUE					
Interest	-	-	56	56	206
Transfer from Operating Funds	16,000	-	-	16,000	8,200
EXPENSES					
Transfer to Operating Funds	(38,200)	(13,175)	-	(51,375)	(15,000)
ANNUAL DEFICIT	<u>(22,200)</u>	<u>(13,175)</u>	<u>56</u>	<u>(35,319)</u>	<u>(6,594)</u>