

The Corporation of the Village of Lytton

Financial Statements

For the Year Ended December 31, 2017

Village of Lytton
Financial Statements
For the year ended December 31, 2017

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Management's Responsibility for Financial Reporting

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Mayor and Council are composed entirely of Councillors who are neither management nor employees of the Village. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfils its responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. The Council is also responsible for recommending the appointment of the Village's external auditors.

BDO Canada LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.



Financial Officer

Independent Auditor's Report

To the Mayor and Council of the Corporation of the Village of Lytton

We have audited the accompanying financial statements of Corporation of the Village of Lytton, which comprise the Statement Financial Position as at December 31, 2017, and the Statements of Operations, Change in Net Financial Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal 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 Corporation of the Village of Lytton as at December 31, 2017 and the results of its operations, change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 23, 2018

The Corporation of the Village of Lytton
Statement of Financial Position

For the year ended December 31	2017	2016
Financial Assets		
Cash and cash equivalents	\$ 488,845	\$ 833,961
Investments (Note 4)	1,059,010	550,951
Accounts receivable (Note 5)	617,642	299,195
	<u>2,165,497</u>	<u>1,684,107</u>
Liabilities		
Accounts payable and accrued liabilities (Note 6)	236,842	163,674
Deferred revenue (Note 7)	410,566	20,000
Long-term debt (Note 8)	122,185	139,294
	<u>769,593</u>	<u>322,968</u>
Net Financial Assets	<u>1,395,904</u>	<u>1,361,139</u>
Non-Financial Assets		
Tangible capital assets (Schedule 2)	3,619,961	3,077,225
Prepaid expenses	3,683	4,234
	<u>3,623,644</u>	<u>3,081,459</u>
Accumulated Surplus (Note 9)	<u>\$ 5,019,548</u>	<u>\$ 4,442,598</u>

Approved by:


Mayor


Chief Financial Officer

The Corporation of the Village of Lytton
Statement of Operations

For the year ended December 31	2017 Budget (Note 14)	2017 Actual	2016 Actual
Revenue			
Municipal taxation and grants-in-lieu of taxes (Note 16)	384,495	385,159	381,584
Sale of services	277,279	276,758	270,263
Revenue from own sources	61,731	80,071	80,538
Government transfers and other contributions (Note 15)	679,308	1,160,989	571,952
	<u>1,402,813</u>	<u>1,902,977</u>	<u>1,304,337</u>
Expenses (Note 10)			
General administration and legislative services	591,678	529,569	526,059
Protective services	302,774	61,022	211,020
Public works and transportation services	172,743	159,089	191,564
Environmental and development services	104,000	65,559	16,500
Recreation and cultural services	75,489	92,527	67,393
Water Utility	122,385	298,197	358,761
Sewer Utility	131,829	120,066	118,652
	<u>1,500,899</u>	<u>1,326,028</u>	<u>1,489,949</u>
Annual surplus (deficit)	<u>(98,086)</u>	<u>576,950</u>	<u>(185,612)</u>
Accumulated surplus, beginning of year	4,442,598	4,442,598	4,628,210
Accumulated surplus, end of year	<u>4,344,512</u>	<u>5,019,548</u>	<u>4,442,598</u>

The accompanying notes are an integral part of these financial statements

The Corporation of the Village of Lytton
Statement of Change in Net Financial Assets

For the year ended December 31	2017 Budget <i>(Note 14)</i>	2017	2016
Annual surplus (deficit)	(98,086)	576,950	(185,612)
Acquisition of tangible capital assets	(106,750)	(666,494)	(33,810)
Amortization of tangible capital assets	-	123,758	118,398
Write off due to discontinued capital project <i>(Schedule 2)</i>	-	-	225,814
Decrease in prepaid expenses	-	551	1,336
Increase in net financial assets	(204,836)	34,765	126,126
Net financial assets, beginning of year	1,361,139	1,361,139	1,235,013
Net financial assets, end of year	1,156,303	1,395,904	1,361,139

The accompanying notes are an integral part of these financial statements

The Corporation of the Village of Lytton
Statement of Cash Flows

For the Year Ended December 31, 2016	2017	2016
Cash provided by (used in)		
Operating activities:		
Annual surplus (decrease)	576,950	(185,612)
Items not involving cash:		
Amortization of tangible capital assets	123,758	118,398
Write off due to discontinued capital project (<i>Schedule 2</i>)	-	225,814
Net change in non-cash working capital balances related to operations:		
Accounts receivable	(318,447)	(71,991)
Prepaid expenses	551	1,336
Accounts payable and accrued charges	73,168	(36,245)
Deferred revenue	390,566	14,000
	846,546	65,700
Capital activities:		
Purchase of tangible capital assets	(666,494)	(33,810)
	(666,494)	(33,810)
Financing activities:		
Repayment of long-term debt	(9,073)	(9,073)
Sinking fund earnings	(8,035)	(7,220)
Purchase of investments	(508,059)	(550,951)
	(525,167)	(567,244)
Decrease in cash and cash equivalents during the year	(345,115)	(535,354)
Cash and cash equivalents, beginning of year	833,961	1,369,315
Cash and equivalents, end of year	488,845	833,961
Cash and cash equivalents consists of:		
Cash and cash equivalents	440,749	791,895
Restricted cash (<i>Note 3</i>)	48,096	42,066
	488,845	833,961
Supplementary cash flow information		
Interest paid	10,105	11,573

The accompanying notes are an integral part of these financial statements

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2017

1. Operations

The Corporation of the Village of Lytton (the "Village") was incorporated on May 3, 1945 under the Municipal Act, a former statute of the Province of British Columbia. Its principal activities include the provision of local government services to the residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sewer services.

2. Significant accounting policies

The financial statements of the Village are based on the representations of management and are prepared in accordance with Canadian public sector accounting standards (PSAS). Significant aspects of the accounting policies adopted are as follows:

a) Cash and cash equivalents

Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

b) Financial instruments

The Village's financial instruments consist of cash and cash equivalents, investments, accounts receivable, accounts payable and long-term debt. Unless otherwise indicated, it is management's opinion that the Village is not exposed to any significant interest, credit or currency risks arising from these financial instruments.

c) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities, and are generally held for use in the provision of services. They typically have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations.

d) Tangible capital assets

Tangible capital assets are initially recorded at cost. Amortization is calculated using the straight line method over their estimated useful lives.

Asset	Useful Life (Years)
Engineering structures	50 - 100
Buildings	20 - 60
Machinery and equipment	3 - 30
Sewer system and equipment	30 - 75
Water system and equipment	5 - 75

Whenever events or changes in circumstances indicate that an asset, or group of assets, no longer has any long-term service potential to the Village, the excess of its net carrying amount over any residual value is recognized as an impairment expense in the statement of operations.

e) Revenue recognition

Sale of Services and Revenue from Own Sources

Revenues for goods and services are recognized when earned, which is when the transactions or events occurred that give rise to the revenues.

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2017

2. Significant accounting policies (continued)

Government Transfers

The Village recognizes restricted grants, contributions and government transfers received under funding agreements which relate to a subsequent period are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Funding received before this criterion has been met is reported as deferred revenue on the statement of financial position until the period in which the specified purpose or related expense is incurred. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Village recognizes revenue as the liability is settled.

Tax Revenue

The Village recognizes municipal taxation and grants in lieu of taxation at estimated amounts as assets and revenue when they meet the definition of an asset, are authorized by a legislature, council, or legislative convention, and the taxable event has occurred. At each financial statement date, the Village evaluates the taxes receivable for collectability and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

f) Employee benefits

The Village records liabilities for accrued employee benefits in the period in which they are earned. Employees are entitled to compensation for unused vacation and sick days, the amount of which can be carried forward as specified in the collective agreement and employment contracts.

g) Measurement uncertainty

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 revenue and expenditures during the reporting period.

Actual results could differ from management's best estimates as additional information becomes available in the future.

h) Segment Reporting

The Village conducts its operations through seven reportable segments: General Administration and Legislative Services, Protective Services, Public Works and Transportation Services, Environmental and Development Services, Recreation and Cultural Services, Water Utility and Sewer Utility. These segments are established by senior management to record specific activities to attain certain objectives in accordance with Council policies and the Village's bylaws.

i) Liability for Contaminated Sites

Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for the remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities under the new standard, including sites that are no longer in productive use and sites for which the Village accepts responsibility. There were no such sites that had contamination in excess of an environmental standard which required remediation at this time, therefore no liability was recognized.

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2017

3. Cash

The Village has \$48,096 (2016 - \$42,066) of funds received from an endowment fund with the BC Interior Community Foundation (previously the Kamloops Foundation), which are restricted for the betterment of health related services in the community of Lytton.

4. Investments

	2017	2016
MFA money market fund	908,297	400,763
Scotiabank term deposit	150,713	150,188
	<u>1,059,010</u>	<u>550,951</u>

MFA money market funds include bank-issued notes, bonds and provincial bonds and debentures. The current yield for the money market fund is 0.97% (2016 - 0.81%) and funds are redeemable at any time. The interest rate on the term deposit is 1.47% and it matures on March 5, 2018.

5. Accounts Receivable

	2017	2016
Taxes receivable	23,721	22,999
Utilities receivable	11,359	23,674
GST Receivable	40,673	11,606
Government transfers receivable	307,462	184,389
General accounts receivable	234,427	56,527
	<u>617,642</u>	<u>299,195</u>

6. Accounts Payable and Accrued Liabilities

	2017	2016
Trade accounts payable	143,056	82,317
Lytton Museum	-	5,150
BC Interior Community Foundation	48,096	42,066
Payroll and benefits	45,689	34,141
	<u>236,842</u>	<u>163,674</u>

7. Deferred Revenue

During 2017, the Village received \$700,580 in government transfers for the purpose of funding the Groundwater Development Project. As of December 31, 2017, \$309,714 has been spent and the remaining \$390,866 has been deferred. Also included in deferred revenue is \$19,700 relating to various amounts received with other spending restrictions. Deferred amounts will be recognized as revenue in the period in which the funds are used for the purpose specified within the funding agreement.

8. Long-term debt

Purpose	Year of Maturity	Interest Rate	Principal Outstanding December 31, 2017	Principal Outstanding December 31, 2016
Sewer	2023	2.40%	<u>\$122,185</u>	<u>\$139,294</u>

Long Term debt - future principal payments are as follows:

2018	\$9,073
2019	\$9,073
2020	\$9,073
2021	\$9,073
2022	\$9,073
Thereafter	<u>\$9,073</u>
	<u>\$54,438</u>
Estimated sinking fund earnings	<u>\$67,747</u>
	<u>\$122,185</u>

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2017

8. Long-term debt (continued)

The Municipal Finance Authority (MFA) requires a cash contribution of 1% of the face value of debt when issued. Upon the MFA's administration of the debt, 1% was charged on the gross balance transferred from the Province of B.C. The MFA debt reserve earns interest income and is used to pay the expense of the debt issue. Any remaining balance will be returned to the Village at the maturity of the underlying debt issue.

The debt reserves are contingent in nature and are not reflected in the Statement of Financial Position for the Village. Details of the cash deposits and demand notes for the year are as follows:

	2017	2016
Cash Deposits - Sewer Utility	4,933	4,839
Demand Notes - Sewer Utility	8,699	8,699
	13,632	13,538

9. Accumulated surplus

	2017	2016
Unrestricted Surplus		
General operating surplus	42,668	7,026
Sewer operating surplus	160,896	143,061
Water operating surplus	48,152	99,806
Total Unrestricted Surplus	251,716	249,893
Appropriated Surplus (Reserve Accounts)		
General Stabilization	216,992	220,392
Vehicle and Equipment	45,340	61,197
Legal and Insurance	64,280	61,197
Total Appropriated Surplus	326,613	342,786
Reserve Funds		
Capital works	510,817	546,739
Community works gas tax	432,627	365,249
Total Reserve Funds	943,444	911,988
Investment in tangible capital assets	3,497,775	2,937,931
Total Accumulated Surplus	5,019,548	4,442,598

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2017

10. Expense by object

	2017	2016
Administration	357,458	540,637
Insurance	15,312	23,895
Interest	10,105	11,573
Repairs and maintenance	267,997	109,415
Wages and benefits	551,398	460,217
Amortization	123,758	118,398
Write off due to discontinued capital project (Schedule 2)	-	225,814
	1,326,028	1,489,949
Capital expenditures	666,494	33,810
	1,992,522	1,523,759

11. Commitments

a) Lease commitment

The Village is committed to the lease of its office space and makes monthly payments of \$1,085 to the Thompson Nicola Regional District (TNRD). The current term will be in effect until April 30, 2021.

b) Municipal Pension Plan

The municipality and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2015 the plan had about 193,000 active members and approximately 85,000 retired members. Active members include approximately 38,000 contributors from local government.

The most recent actuarial valuation as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remain unchanged. The next valuation will be as at December 31, 2018, with results available in 2019.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the plan.

The Village of Lytton paid \$37,419 (2016 - \$18,249) for employer contributions to the plan in fiscal 2017.

c) Other

The Village is currently party to certain existing conditions involving uncertainty which may result in material loss. Where required, a reasonable estimate of these liabilities has been made and is contained in the financial statements as liabilities.

On January 10, 2017, the Village entered into an agreement for Engineering Services for Groundwater Development design for a total amount of \$394,013. As of December 31, 2017, \$278,710 of this cost has been incurred and the remaining amount is expected to be paid in 2018 as work on the project continues.

The Corporation of the Village of Lytton

Notes to the Financial Statements
 For the Year Ended December 31, 2017

12. Perpetual Cemetery Care Trust

The Cemetery Perpetual Care Trust Fund is administered in accordance with the Cremation, Interment and Funeral Services Act. In accordance with PSAB guidelines, the Cemetery Perpetual Care Trust Fund is excluded from the District's consolidated financial statements.

	2017	2016
Cemetery Trust Fund Investments	13,429	13,244
Equity		
Balance, beginning of year	13,244	13,125
Care fund contributions	25	75
Interest earned	160	44
Balance, end of year	13,429	13,244

13. Financial instruments

The Village's financial instruments consist of cash and investments, accounts receivable, accounts payable, capital leases obligations, and long-term debt. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair values of cash and short-term investments approximate their carrying values, unless otherwise noted.

Accounts receivable, accounts payable, capital lease obligations and long-term debt information is provided elsewhere in the financial statements to allow the assessment of the fair values of these financial instruments.

14. Budget

Budget amounts represent the Financial Plan Bylaw adopted by Council on April 10, 2017.

The Financial Plan anticipated use of surpluses accumulated in previous years to balance against current year expenditures in excess of current year revenues.

The following shows how these amounts were combined:

	2017	2016
Financial Plan Bylaw deficit for the year	(102,586)	(37,486)
Remove transfers from reserves from revenues	(6,246)	(17,500)
Remove capital expenditures from expenses	10,746	98,000
(Deficit) Surplus per statement of operations	(98,086)	43,014

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2017

15. Government transfers and other contributions

During the year, the Village recognized the following government transfers and other contributions:

	Budget	2017	2016
Provincial			
Age Friendly Community Grant	20,000	8,367	-
BC Community Water Improvement Program	-	160,000	-
Community Water and Wastewater Funding	-	475,855	-
Community Wildfire Protection Program	200,000	8,000	156,196
Infrastructure Planning Grant Program	-	-	7,429
Province of BC - Canada 150 Grant	-	10,200	-
Province of BC	17,690	12,211	-
Provincial Emergency Funding	5,000	4,710	10,850
Small Community Protection Grant	286,500	294,549	286,503
Union of BC Municipalities - Asset management planning	10,000	-	10,693
Municipal Insurance Association - Sidewalk repairs	-	-	4,000
Federal			
Community Works Funding	62,118	62,252	62,118
Other			
Thompson Nicola Regional District - Pool upgrades	-	19,958	20,000
Government Transfers	601,308	1,056,102	557,789
Lytton First Nation - Water and Waste Water Funding	-	67,744	-
BC Hydro Tree Grant	-	1,200	-
Northern Development Trust Grants	78,000	35,943	14,163
Other Contributions	78,000	104,887	14,163
Total Government Transfers and Other Contributions	679,308	1,160,989	571,952

16. Taxation

	Budget	2017	2016
Municipal Taxation			
Property tax	364,104	364,104	361,203
Grants in lieu of taxes	20,391	21,055	20,381
Total Municipal Taxation	384,495	385,159	381,584
Collections for Other Taxing Authorities			
BC Assessment Authority	-	3,427	3,824
Municipal Finance Authority	-	8	9
Province of BC - school taxes	-	107,984	114,644
Province of BC - police taxes	-	13,951	14,404
Thompson-Nicola Regional Hospital District	-	21,397	19,682
Thompson-Nicola Regional District	-	51,579	54,116
Total collections for other taxing authorities	-	198,346	206,679
Payments to other taxing authorities	-	198,346	206,679
Net Taxation for municipal purposes	384,495	385,159	381,584

17. Subsequent Event

Subsequent to December 31, 2017, the Village was served with a Notice of Claim in which it was named as a defendant. The claim relates to work performed by a subcontractor hired by a company contracted by the Village. The subcontractor is the plaintiff and is seeking payment of \$281,452 plus damages for breach of contract. As of April 23, 2018, the outcome of the claim and the resulting outflow of economic benefits, if any, for the Village cannot be reasonably estimated. Therefore no such amount has been included as a liability in these financial statements.

The Village has an agreement in place with the contractor for Consulting Services for the Source Water Protection Plan and Horizontal Drilling Feasibility Study for a total amount of \$440,359. As of December 31, 2017, \$157,147 of this cost has been incurred and the remaining amount is expected to be paid in 2018 as work on the project continues, but the timing and amount of future payments may depend on the outcome of the Notice of Claim.

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2017

18. Segmented information

The Village is a diversified municipal government institution that provides a wide range of services to its citizens. For management reporting purposes, the local government's operations and activities are organized and reported by service areas. Services areas were created for the purpose of recording specific activities to attain certain objectives in accordance with Council policies and the Village's bylaws. The service areas are as follows:

General Administration and Legislative Services

General Administration and Legislative services include activities associated with Mayor and Council administration, bylaw review and adoption, financial management, and information systems, insurance and corporate services, including human resources.

Protective Services

Protective services include activities associated with community safety. These services include fire protection, bylaw enforcement and emergency services.

Public Works and Transportation Services

Public Works and Transportation services include activities associated with roads and drainage networks. Services include traffic services, street lighting, public works administration, fleet operations, raft take out costs, winter maintenance, and maintenance and improvements to roads, waste and garbage service, and sidewalks.

Environmental Development Services

Environmental Development services include all activities associated with website design, economic development, grant applications, building inspections, and road closures.

Recreation and Culture Services

Recreation and Cultural services include all activities associated with operations of parks, recreation and cultural services. Activities also include cemetery operations, caboose operations, museum operations, and tourism services.

Water Utility

Water services include all activities associated with water operations. Items include maintenance and enhancements of the water supply system, water treatment, and water distribution system.

Sewer Utility

Sewer services include all activities associated with sanitary sewer operations. Items include maintenance and enhancements of the sewer collection system and existing infrastructure.

Segmented information has been identified based upon lines of service provided by the Village. Village services are provided by departments and their activities are reported by functional area in the body of the financial statements.

The Corporation of the Village of Lytton
 Schedule 1 - Segmented Information
 For the Year Ended December 31, 2017

	General Administration and Legislative Services	Protective Services	Public Works and Transportation Services	Environmental and Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2017
Revenues								
Real property taxes	364,104	-	-	-	-	-	-	364,104
Grants in lieu of taxes	8,191	12,864	-	-	-	-	-	21,056
Sale of services	-	76,358	230	-	-	79,637	-	276,758
Licenses and permits	56	-	-	2,295	1,125	-	-	3,476
Rentals and general services	20,561	-	3,050	-	13,962	-	-	37,573
Return on investments	17,550	-	-	-	-	-	-	17,550
Penalties and interest on taxes	4,627	-	-	-	-	-	-	4,627
Other income	5,505	-	3,695	-	-	-	8,045	17,246
Government transfers	371,457	18,825	66,118	-	-	703,589	-	1,160,989
Total revenue	792,061	109,047	73,093	2,296	14,687	783,236	128,580	1,902,977

Expenditures								
Administration	158,456	43,724	17,052	65,559	21,971	23,792	26,904	357,458
Insurance	9,818	64	4,848	-	582	-	-	15,312
Interest	2,905	-	-	-	-	-	7,200	10,105
Repairs and maintenance	5,463	13,581	35,560	-	12,848	188,225	12,320	267,997
Wages and benefits	296,424	3,653	101,629	-	57,126	53,049	39,518	561,398
	473,066	61,022	159,089	65,559	92,527	265,067	85,941	1,202,269
Amortization	56,503	-	-	-	-	33,131	34,124	123,758
Total expenditure	529,569	61,022	159,089	65,559	92,527	298,197	120,066	1,326,028
Annual surplus (deficit)	262,492	47,025	(85,996)	(63,264)	(77,840)	485,039	8,514	576,950

	General Administration and Legislative Services	Protective Services	Public Works and Transportation Services	Environmental and Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2016
Revenues								
Real property taxes	361,203	-	-	-	-	-	-	361,203
Grants in lieu of taxes	7,977	12,404	-	-	-	-	-	20,381
Sale of services	-	72,634	964	-	-	80,098	-	270,263
Licenses and permits	58	-	-	2,155	1,675	-	-	3,888
Rentals and general services	21,663	-	6,782	-	17,431	-	-	46,876
Return on investments	3,406	-	-	-	-	-	-	3,406
Penalties and interest on taxes	4,052	-	-	-	-	-	-	4,052
Other income	13,985	-	2,100	-	-	-	7,231	23,316
Government transfers	316,506	172,207	66,118	-	-	12,275	4,846	571,952
Total revenue	728,850	257,245	75,964	2,155	19,106	92,373	128,644	1,304,337
Expenditures								
Administration	234,917	191,457	20,635	16,500	13,701	40,949	22,478	540,637
Insurance	20,343	75	3,137	-	340	-	-	23,895
Interest	4,373	-	-	-	-	-	7,200	11,573
Repairs and maintenance	3,616	15,230	47,451	-	9,173	12,030	21,915	109,415
Wages and benefits	211,168	4,258	120,341	-	44,179	46,835	33,436	460,217
	474,417	211,020	191,564	16,500	67,393	99,814	85,029	1,145,737
Amortization	51,642	-	-	-	-	225,814	-	225,814
Total expenditure	526,059	211,020	191,564	16,500	67,393	33,133	33,623	1,183,998
Annual surplus (deficit)	202,791	46,225	(115,600)	(14,345)	(48,287)	(266,388)	9,992	(185,612)

* Write off due to discontinued capital project (Schedule 2)

The Corporation of the Village of Lytton
 Schedule 2 - Schedule of Tangible Capital Assets
 For the Year Ended December 31, 2017

	Engineering Structures	Buildings	Machinery and Equipment	Land	Sewer	Water	Work in Progress	2017
Cost								
Balance, January 1, 2017	984,977	106,631	720,055	75,641	1,284,966	1,854,139	-	5,026,409
Acquisition of tangible capital assets	44,458	-	37,880	-	9,423	-	574,733	666,494
Balance, end of year	1,029,435	106,631	757,935	75,641	1,294,389	1,854,139	574,733	5,692,903
Accumulated amortization								
Balance, beginning of year	378,033	74,542	442,939	-	496,945	556,805	-	1,949,184
Annual amortization	18,342	1,555	36,606	-	34,124	33,131	-	123,758
Balance, December 31, 2017	396,375	76,097	479,545	-	531,069	589,936	-	2,072,942
Net book value	633,060	30,534	278,390	75,641	763,320	1,264,203	574,733	3,619,961
Engineering Structures	Buildings	Machinery and Equipment	Land	Sewer	Water	Work in Progress	2016	
Cost								
Balance, January 1, 2016	965,777	106,631	720,055	75,641	1,284,966	1,854,139	211,205	5,218,414
Acquisition of tangible capital assets	19,200	-	-	-	-	-	14,609	33,809
Write off due to discontinued capital project*	-	-	-	-	-	-	(225,814)	(225,814)
Balance, end of year	984,977	106,631	720,055	75,641	1,284,966	1,854,139	-	5,026,409
Accumulated amortization								
Balance, beginning of year	362,500	72,987	408,305	-	463,322	523,672	-	1,830,786
Annual amortization	15,533	1,555	34,634	-	33,623	33,133	-	118,398
Balance, December 31, 2016	378,033	74,542	442,939	-	496,945	556,805	-	1,949,184
Net book value	606,944	32,089	277,116	75,641	788,021	1,297,334	-	3,077,225

* In early 2017 Council voted to discontinue the current water filtration project. As such, the cumulative costs to date were written off as they are not expected to provide benefit to the future projects being contemplated.