

**SUMMER VILLAGE OF SUNRISE BEACH**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**



# HAWKINGS EPP DUMONT LLP

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Summer Village of Sunrise Beach

We have audited the accompanying financial statements of the Summer Village of Sunrise Beach, which comprise the statement of financial position as at December 31, 2014 and the statements of operations and accumulated surplus, changes in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Managements' 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.

### *Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 Summer Village of Sunrise Beach as at December 31, 2014 and the results of its operations and accumulated surplus, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Edmonton, Alberta  
March 24, 2015

Hawkings Epp Dumont LLP  
Chartered Accountants

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**MANAGEMENTS' RESPONSIBILITY  
FOR FINANCIAL REPORTING**

To the Mayor and Council Summer Village of Sunrise Beach

The integrity, relevance and comparability of the data in the accompanying financial statements are the responsibility of management.

The financial statements are prepared by management, in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. They necessarily include some amounts that are based on the best estimates and judgments of management.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of financial statements.

Hawkings Epp Dumont LLP, Chartered Accountants, have been appointed by Village Council to express an opinion on the Village's financial statements.



Wendy Wildman, Chief Administrative Officer

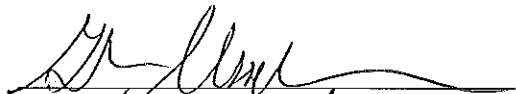
SUMMER VILLAGE OF SUNRISE BEACH

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 2)	\$ -	\$ 102,670
Receivables (Note 3)	<u>288,956</u>	<u>134,521</u>
	<u>288,956</u>	<u>237,191</u>
<b>LIABILITIES</b>		
Bank indebtedness (Note 2)	48,797	-
Accounts payable and accrued liabilities	<u>13,339</u>	<u>13,037</u>
	<u>62,136</u>	<u>13,037</u>
<b>NET FINANCIAL ASSETS</b>	<u>226,820</u>	<u>224,154</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 4)	1,246,550	1,062,326
Prepaid expenses	<u>1,428</u>	<u>1,392</u>
	<u>1,247,978</u>	<u>1,063,718</u>
<b>ACCUMULATED SURPLUS (Note 5)</b>	<u>\$ 1,474,798</u>	<u>\$ 1,287,872</u>

ON BEHALF OF THE VILLAGE COUNCIL:

  
\_\_\_\_\_ Mayor

  
\_\_\_\_\_ Councillor

**SUMMER VILLAGE OF SUNRISE BEACH**  
**STATEMENT OF ANNUAL SURPLUS AND ACCUMULATED SURPLUS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>2014</u> (Budget) (Note 10)	<u>2014</u> (Actual)	<u>2013</u> (Actual)
<b>REVENUE</b>			
Net taxation (Schedule 2)	\$ 208,872	\$ 207,536	\$ 205,071
Provincial government transfers for operating	12,793	12,793	20,692
Penalties and costs on taxes	9,500	6,883	9,800
Sales and user charges	10,000	3,140	-
Return on investments	-	480	476
Other	<u>500</u>	<u>430</u>	<u>1,158</u>
	<u>241,665</u>	<u>231,262</u>	<u>237,197</u>
<b>EXPENSES</b>			
General administration	77,941	77,353	78,549
Roads, streets, walks and lighting	77,400	60,805	62,105
Waste management	21,375	20,319	20,445
Fire	25,346	15,750	18,523
Council and other legislative	15,000	14,375	13,914
Land use planning, zoning and development	6,900	6,930	11,311
Family and community support services	5,483	5,483	5,483
Parks and recreation	6,159	4,014	6,222
Water	2,766	3,354	1,952
Bylaws enforcement	2,120	1,317	996
Ambulance and first aid	1,175	1,174	1,172
Police	-	-	2,937
Amortization	<u>-</u>	<u>87,083</u>	<u>47,448</u>
	<u>241,665</u>	<u>297,957</u>	<u>271,057</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>			
<b>BEFORE OTHER INCOME</b>	<u>-</u>	<u>(66,695)</u>	<u>(33,860)</u>
<b>OTHER INCOME</b>			
Government transfers for capital	200,000	245,816	(157,909)
Gain on disposal of tangible capital assets	<u>-</u>	<u>7,805</u>	<u>-</u>
	<u>200,000</u>	<u>253,621</u>	<u>(157,909)</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>\$ 200,000</u>	<u>186,926</u>	<u>(191,769)</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<u>1,287,872</u>	<u>1,479,641</u>
<b>ACCUMULATED SURPLUS, END OF YEAR (Note 5)</b>		<u>\$ 1,474,798</u>	<u>\$ 1,287,872</u>

**SUMMER VILLAGE OF SUNRISE BEACH**  
**STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>2014</u> (Budget) <i>(Note 10)</i>	<u>2014</u> (Actual)	<u>2013</u> (Actual)
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ <u>200,000</u>	\$ <u>186,926</u>	\$ <u>(191,769)</u>
Acquisition of tangible capital assets	(200,000)	<b>(282,217)</b>	(22,091)
Amortization of tangible capital assets	-	<b>87,083</b>	47,448
Proceeds on disposal of tangible capital assets	-	<b>18,715</b>	-
Gain on disposal of tangible capital assets	-	<b>(7,805)</b>	-
Acquisition of prepaid expenses	-	<b>(36)</b>	(41)
Other tangible capital assets adjustments	-	-	<u>180,000</u>
<b>INCREASE IN NET FINANCIAL ASSETS</b>	-	<b>2,666</b>	13,547
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>224,154</u>	<u>224,154</u>	<u>210,607</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	\$ <u>224,154</u>	\$ <u>226,820</u>	\$ <u>224,154</u>

**SUMMER VILLAGE OF SUNRISE BEACH**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>2014</u>	<u>2013</u>
<b>OPERATING ACTIVITIES</b>		
Cash from operations		
Annual surplus (deficit)	\$ 186,926	\$ (191,769)
Non-cash items not affecting annual surplus (deficit)		
Amortization	87,083	47,448
Gain on disposal of tangible capital assets	(7,805)	-
Change in non-cash working capital balances related to operations:		
Prepaid expenses	(36)	(41)
Receivables	(154,435)	271,507
Accounts payable and accrued liabilities	<u>302</u>	<u>(172,351)</u>
	<u>112,035</u>	<u>(45,206)</u>
<b>CAPITAL ACTIVITIES</b>		
Proceeds on disposal of tangible capital assets	18,715	-
Purchase of tangible capital assets	(282,217)	(22,091)
Other tangible capital assets adjustments	<u>-</u>	<u>180,000</u>
	<u>(263,502)</u>	<u>157,909</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS DURING YEAR</b>	<b>(151,467)</b>	<b>112,703</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>102,670</u></b>	<b><u>(10,033)</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ <u>(48,797)</u></b>	<b>\$ <u>102,670</u></b>

**SUMMER VILLAGE OF SUNRISE BEACH**  
**SCHEDULE OF EQUITY IN TANGIBLE CAPITAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

*Schedule 1*

	<u>2014</u>	<u>2013</u>
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 1,062,326	\$ 1,267,683
Purchase of Tangible Capital Assets	282,217	22,091
Amortization of Tangible Capital Assets	(87,083)	(47,448)
Net Book Value of Tangible Capital Assets Disposed of	(10,910)	-
Other Tangible Capital Assets adjustments	<u>-</u>	<u>(180,000)</u>
<b>BALANCE, END OF YEAR</b>	<b><u>\$ 1,246,550</u></b>	<b><u>\$ 1,062,326</u></b>
 Equity in Tangible Capital Assets is Comprised of the Following:		
Tangible Capital Assets net book value	<b><u>\$ 1,246,550</u></b>	<b><u>\$ 1,062,326</u></b>



SUMMER VILLAGE OF SUNRISE BEACH

Schedule 2

SCHEDULE OF PROPERTY TAXES

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u> (Budget) (Note 10)	<u>2014</u> (Actual)	<u>2013</u> (Actual)
<b>TAXATION</b>			
Real property taxes	\$ 271,001	\$ 269,665	\$ 269,836
Linear property taxes	<u>3,077</u>	<u>3,077</u>	<u>3,013</u>
	<u>274,078</u>	<u>272,742</u>	<u>272,849</u>
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	59,673	59,673	62,020
Lac Ste. Anne Foundation	<u>5,533</u>	<u>5,533</u>	<u>5,758</u>
	<u>65,206</u>	<u>65,206</u>	<u>67,778</u>
<b>NET MUNICIPAL TAXES</b>	<u>\$ 208,872</u>	<u>\$ 207,536</u>	<u>\$ 205,071</u>

SUMMER VILLAGE OF SUNRISE BEACH

Schedule 3

SCHEDULE OF EXPENSES BY OBJECT

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u> (Budget) (Note 10)	<u>2014</u> (Actual)	<u>2013</u> (Actual)
Contracted and general services	\$ 152,670	\$ 124,402	\$ 141,208
Amortization	-	87,083	47,448
Salaries, wages and benefits	49,100	43,891	44,511
Materials, goods and utilities	33,592	34,218	32,109
Transfer payments	5,983	6,053	5,483
Bank charges	<u>320</u>	<u>2,310</u>	<u>298</u>
	<u>\$ 241,665</u>	<u>\$ 297,957</u>	<u>\$ 271,057</u>

**SUMMER VILLAGE OF SUNRISE BEACH**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are representations of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Summer Village of Sunrise Beach (the "Village") are as follows:

(a) Reporting Entity

The financial statements reflect assets, liabilities, revenue and expenditures, changes in fund balances and changes in financial position of the Village. This is comprised of the municipal operations plus all of the organizations that are owned or accountable to the Village Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the municipal reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties.

(b) Basis of Accounting

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers are recognized in the financial statements as revenue in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the municipality and reasonable estimates of the amounts can be made.

Expenditures are recognized in the period the goods and services are acquired and a liability is incurred or transfers are due.

(c) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount 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 period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

(CONT'D)

**SUMMER VILLAGE OF SUNRISE BEACH**  
**NOTES TO FINANCIAL STATEMENTS (CONT'D)**

**DECEMBER 31, 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

(d) **Tangible Capital Assets**

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

Engineered structures:	
Roadways	10 years
Water systems	75 years
Buildings	30 years
Machinery and equipment	10 years
Vehicles	10 years

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

Works of art for display are not recorded as tangible capital assets but are disclosed.

(e) **Under-Levies and Over-Levies**

Under-levies and over-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned.

In situations where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and reflected as property taxes. If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced.

Requisition tax rates in the subsequent year are adjusted for any under-levies or over-levies of the prior year.

(f) **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 normal course of operations. The change in non-financial assets during the year, together with the annual surplus (deficit), provides the consolidated Change in Net Financial Assets for the year.

(g) **Cash and cash equivalents**

Cash and cash equivalents includes bank accounts and Guaranteed Investment Certificates that are redeemable at any time.

(h) **Tax revenue**

Property taxes are recognized as revenue in the year they are levied.

Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of the related borrowings. These levies are collectable from property owners for work performed by the municipality and are recognized as revenue in the year the tax is levied.

**SUMMER VILLAGE OF SUNRISE BEACH**  
**NOTES TO FINANCIAL STATEMENTS (CONT'D)**

**DECEMBER 31, 2014**

**2. CASH AND CASH EQUIVALENTS / BANK INDEBTEDNESS**

	<u><b>2014</b></u>	<u><b>2013</b></u>
Guaranteed Investment Certificate	\$ 60,315	\$ 59,833
Petty cash	100	100
Operating account (line of credit)	<u>(109,212)</u>	<u>42,737</u>
	<u><b>\$ (48,797)</b></u>	<u><b>\$ 102,670</b></u>

The Guaranteed Investment Certificate has a term of one year maturing August 26, 2015 and bears interest at an annual rate of 0.80%.

The Village has established a revolving line of credit with a limit of \$350,000, bearing interest at prime plus 1% per annum.

**3. RECEIVABLES**

	<u><b>2014</b></u>	<u><b>2013</b></u>
Trade and other	\$ 229,365	\$ 77,004
Taxes and grants in place of taxes	43,509	57,517
Goods and Services Tax	<u>16,082</u>	<u>-</u>
	<u><b>\$ 288,956</b></u>	<u><b>\$ 134,521</b></u>

**SUMMER VILLAGE OF SUNRISE BEACH**  
**NOTES TO FINANCIAL STATEMENTS (CONT'D)**

**DECEMBER 31, 2014**

**4. TANGIBLE CAPITAL ASSETS**

	<u><b>2014</b></u> <u><b>Net Book</b></u> <u><b>Value</b></u>	<u><b>2013</b></u> <u><b>Net Book</b></u> <u><b>Value</b></u>
Land	\$ 396,025	\$ 396,025
Engineered structures:		
Roadways	666,522	498,421
Water systems	98,449	99,896
Buildings	28,070	29,862
Machinery and equipment	46,311	25,086
Vehicles	<u>11,173</u>	<u>13,036</u>
	<u><b>\$ 1,246,550</b></u>	<u><b>\$ 1,062,326</b></u>

	<u><b>Cost</b></u> <u><b>Beginning of</b></u> <u><b>Year</b></u>	<u><b>Additions</b></u>	<u><b>Disposals</b></u>	<u><b>Cost</b></u> <u><b>End of</b></u> <u><b>Year</b></u>
Land	\$ 396,025	\$ -	\$ -	\$ 396,025
Engineered structures:				
Roadways	2,294,662	245,817	-	2,540,479
Water systems	108,584	-	-	108,584
Buildings	53,760	-	-	53,760
Machinery and equipment	57,051	36,400	(25,816)	67,635
Vehicles	<u>18,625</u>	<u>-</u>	<u>-</u>	<u>18,625</u>
	<u><b>\$ 2,928,707</b></u>	<u><b>\$ 282,217</b></u>	<u><b>\$ (25,816)</b></u>	<u><b>\$ 3,185,108</b></u>

	<u><b>Accumulated</b></u> <u><b>Amortization</b></u> <u><b>Beginning of</b></u> <u><b>Year</b></u>	<u><b>Amortization</b></u>	<u><b>Disposals</b></u>	<u><b>Accumulated</b></u> <u><b>Amortization</b></u> <u><b>End of</b></u> <u><b>Year</b></u>
Engineered structures:				
Roadways	\$ 1,796,241	\$ 77,716	\$ -	\$ 1,873,957
Water systems	8,688	1,447	-	10,135
Buildings	23,898	1,792	-	25,690
Machinery and equipment	31,965	4,265	(14,906)	21,324
Vehicles	<u>5,589</u>	<u>1,863</u>	<u>-</u>	<u>7,452</u>
	<u><b>\$ 1,866,381</b></u>	<u><b>\$ 87,083</b></u>	<u><b>\$ (14,906)</b></u>	<u><b>\$ 1,938,558</b></u>

**SUMMER VILLAGE OF SUNRISE BEACH**  
**NOTES TO FINANCIAL STATEMENTS (CONT'D)**

**DECEMBER 31, 2014**

**5. ACCUMULATED SURPLUS**

	<u>2014</u>	<u>2013</u>
Unrestricted surplus	\$ 227,770	\$ 225,068
Restricted surplus	478	478
Equity in tangible capital assets ( <i>Schedule 1</i> )	<u>1,246,550</u>	<u>1,062,326</u>
	<u>\$ 1,474,798</u>	<u>\$ 1,287,872</u>

**6. SALARIES AND BENEFITS DISCLOSURE**

Disclosure of salaries and benefits for municipal officials, the Chief Administrative Officers and designated officers as required by Alberta Regulation 313/2000 is as follows:

	<u>Salary</u>	<u>Benefits and Allowances</u>	<u>2014 Total</u>	<u>2013 Total</u>
<b>Town Council</b>				
Mayor Usselman	\$ 4,850	\$ -	\$ 4,850	\$ 5,338
Tremblay	3,550	-	3,550	1,387
Norton	2,550	-	2,550	1,760
Steenbergen	-	-	-	1,470
Macdonald	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,556</u>
	<u>\$ 10,950</u>	<u>\$ -</u>	<u>\$ 10,950</u>	<u>\$ 12,511</u>
<b>Chief Administrative Officer</b>				
Wild Willow Enterprises	<u>44,558</u>	<u>-</u>	<u>44,558</u>	<u>43,260</u>

Salary includes regular base pay, lump sum payments, gross honoraria and any other direct cash remuneration. Chief Administrative Officer salary also includes amounts paid in subcontracting administrative support staff services.

Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees and the employer's share of the costs of any additional taxable benefits.

**SUMMER VILLAGE OF SUNRISE BEACH**  
**NOTES TO FINANCIAL STATEMENTS (CONT'D)**

**DECEMBER 31, 2014**

**7. DEBT LIMITS**

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits, as defined by Alberta Regulation 255/00, for the Village be disclosed as follows:

	<u>2014</u>	<u>2013</u>
Total debt limit	\$ 346,893	\$ 355,796
Total debt	<u>48,797</u>	<u>-</u>
Amount of debt limit unused	<u>\$ 298,096</u>	<u>\$ 355,796</u>
Service on debt limit	\$ 57,816	\$ 59,299
Service on debt	<u>-</u>	<u>-</u>
Amount of debt servicing limit unused	<u>\$ 57,816</u>	<u>\$ 59,299</u>

The debt limit is calculated at 1.5 times revenue of the Village (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be a financial risk if further debt is acquired. The calculation taken alone does not represent the stability of the Village. Rather, the financial statements must be interpreted as a whole.

**8. CONTRACTUAL OBLIGATIONS**

(a) Chief Administrative Officer

The Village has entered into an agreement for Chief Administrative Officer services for the period January 1, 2014 - December 31, 2016. The agreement requires annual fees in the amount of approximately \$45,000.

(b) Office Rent

The Village has entered into an agreement for administrative space for the period January 1, 2012 - December 31, 2017. The agreement requires annual rent in the amount of \$6,000.

(c) Assessment Services

The Village has entered into an agreement for municipal assessment services for the period April 1, 2013 - March 31, 2016. The agreement requires annual fees in the amount of approximately \$5,000 over the term.

(d) Waste Hauling

The Village has entered into an agreement for solid waste and organics removal services for the period January 1, 2015 - December 31, 2020. The agreement requires annual fees for fiscal 2015 of approximately \$17,000, with annual 5% increases over the term.



**SUMMER VILLAGE OF SUNRISE BEACH**  
**NOTES TO FINANCIAL STATEMENTS (CONT'D)**

**DECEMBER 31, 2014**

**9. FINANCIAL INSTRUMENTS**

The Village's financial instruments consist of cash and cash equivalents (bank indebtedness), receivables, accounts payable and accrued liabilities. It is management's opinion that the Village is not exposed to significant interest or currency risk arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying value.

The Village is exposed to credit risk with respect to receivables. Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of customers minimizes the Village's credit risk.

**10. BUDGET FIGURES**

Budget figures are provided for informational purposes only and are unaudited. The 2014 budget, prepared by the Summer Village of Sunrise Beach, reflects all municipal activities including capital projects and reserves for future use. The reconciliation below is provided to encompass these items and is provided for information purposes only.

	<u>2014</u> (Budget)	<u>2014</u> (Actual)	<u>2013</u> (Actual)
Annual Surplus (Deficit)	200,000	<b>186,926</b>	(191,769)
Add back:			
Amortization expense	-	<b>87,083</b>	47,448
Deduct:			
Purchase of tangible capital assets	<u>(200,000)</u>	<u>(282,217)</u>	<u>(22,091)</u>
Result of Operations	\$ <u>          -</u>	\$ <u>    (8,208)</u>	\$ <u>  (166,412)</u>

**11. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by Village Council and Management.

**12. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.