

Township of Whitewater Region

Financial Report

For the year ended 31 December 2010

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

252 Raglan Street S.
Renfrew, Ontario

INDEPENDENT AUDITORS' REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Township of Whitewater Region.

We have audited the accompanying consolidated financial statements of the Corporation of the Township of Whitewater Region, which comprise the consolidated statement of financial position as at 31 December 2010, and the consolidated statements of financial activities, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards for local governments, 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 consolidated 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 auditor's 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 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 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 Whitewater Region and its local boards as at 31 December 2010, and the results of their operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards for local governments.



RENFREW, Ontario,
6 April 2011.

Chartered Accountants,
Licensed Public Accountants.

Township of Whitewater Region
Consolidated Statement of Financial Position
 As at 31 December 2010
 (with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
Financial assets:		
Taxes receivable	\$ 659,643	\$ 553,794
Accounts receivable	1,138,806	245,540
Investment in Ottawa River Power Corporation (Note 4)	<u>294,735</u>	<u>294,735</u>
	\$ <u>2,093,184</u>	\$ <u>1,094,069</u>
Financial liabilities:		
Bank overdraft and operating loan	\$ 538,628	\$ 852,163
Accounts payable and accrued liabilities	312,050	333,781
Deferred revenue - obligatory reserve funds (Note 6)	54,555	278,131
- other	105	240,121
Net long term liabilities (Note 11)	1,476,273	750,000
Employee future benefits	80,761	71,997
Landfill closure and post closure costs (Note 7)	<u>566,875</u>	<u>566,875</u>
	\$ <u>3,029,247</u>	\$ <u>3,093,068</u>
Net financial assets (liabilities)	\$ <u>(936,063)</u>	\$ <u>(1,998,999)</u>
Non-financial assets:		
Tangible capital assets (net)	\$ 32,671,472	\$ 32,192,210
Inventories of supplies	<u>73,089</u>	<u>55,325</u>
	\$ <u>32,744,561</u>	\$ <u>32,247,535</u>
Accumulated surplus	<u>31,808,498</u>	<u>30,248,536</u>
Accumulated surplus comprised of:		
Equity in tangible capital assets	\$ 30,587,761	\$ 29,463,694
General	40,563	14,596
Cobden and District Recreation Association	17,230	28,465
Whitewater Region Public Library Board	28,535	46,424
Waterworks - Cobden	3,520	(30,923)
Waterworks - Beachburg	(6,196)	5,099
Waterworks - Haley	(5,497)	3,379
Whitewater Historical Society	16,921	15,420
Whitewater Region Medical Centre	73,620	60,524
Reserve and reserve funds	1,699,677	1,280,730
Unfunded - Employee future benefits (Note 2)	(80,761)	(71,997)
Unfunded - Landfill closure and post closure costs (Note 2)	<u>(566,875)</u>	<u>(566,875)</u>
Total accumulated surplus	\$ <u>31,808,498</u>	\$ <u>30,248,536</u>

(See accompanying notes)

Township of Whitewater Region
Consolidated Statement of Financial Activities
For the year ended 31 December 2010
(with 2010 budget and 2009 actual figures for comparison)

	2010 <u>Budget</u>	2010 <u>Actual</u>	2009 <u>Actual</u>
Revenue:			
Taxation and user charges	\$ 3,564,037	\$ 3,596,049	\$ 3,284,222
Government transfers:			
Ontario	2,676,981	2,901,142	2,608,169
Canada	857,261	984,875	214,746
Other municipalities	10,520	11,562	9,962
Other	<u>1,043,347</u>	<u>1,087,159</u>	<u>950,493</u>
	<u>\$ 8,152,146</u>	<u>\$ 8,580,787</u>	<u>\$ 7,067,592</u>
Expenditure:			
General government	\$ 898,993	\$ 855,754	\$ 790,936
Protection to persons and property	1,213,294	1,161,776	1,130,847
Transportation services	3,215,960	3,027,278	3,040,649
Environmental services	1,425,562	1,390,334	1,370,435
Health services	42,099	29,467	15,117
Recreation and cultural services	501,208	527,379	532,802
Planning and development	<u>40,436</u>	<u>28,837</u>	<u>30,656</u>
	<u>\$ 7,337,552</u>	<u>\$ 7,020,825</u>	<u>\$ 6,911,442</u>
Net surplus for the year	\$ 814,594	\$ 1,559,962	\$ 156,150
Accumulated surplus at the beginning of the year	<u>30,248,536</u>	<u>30,248,536</u>	<u>30,092,386</u>
Accumulated surplus at the end of the year	<u>\$ 31,063,130</u>	<u>\$ 31,808,498</u>	<u>\$ 30,248,536</u>

(See accompanying notes)

Township of Whitewater Region

Consolidated Statement of Changes in Net Financial Assets

For the year ended 31 December 2010

(with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
Net surplus for the year	\$ 1,559,962	\$ 156,150
Amortization of tangible capital assets	1,880,391	1,866,612
Acquisition of tangible capital assets	(2,359,653)	(2,662,356)
Use of (acquisition of) inventory	<u>(17,764)</u>	<u>(8,765)</u>
Increase (decrease) in net financial assets	\$ 1,062,936	\$ (648,359)
Net financial assets at the beginning of the year	<u>(1,998,999)</u>	<u>(1,350,640)</u>
Net financial assets at the end of the year	<u>\$ (936,063)</u>	<u>\$ (1,998,999)</u>

(See accompanying notes)

Township of Whitewater Region
Consolidated Statement of Cash Flows
For the year ended 31 December 2010
(with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Net surplus for the year	\$ 1,559,962	\$ 156,150
Add amortization which does not involve cash	<u>1,880,391</u>	<u>1,866,612</u>
	\$ 3,440,353	\$ 2,022,762
Net change in non cash working capital balances related to operations:		
- decrease (increase) in taxes receivable	\$ (105,849)	\$ (77,178)
- decrease (increase) in accounts receivable	(893,266)	(60,321)
- decrease (increase) in inventory	(17,764)	(8,765)
- increase (decrease) in accounts payable and accrued liabilities	(21,731)	49,402
- increase (decrease) in employee benefits liability	<u>8,764</u>	<u>7,320</u>
	\$ (1,029,846)	\$ (89,542)
Cash flows from operating activities	\$ 2,410,507	\$ 1,933,220
Cash flows from financing activities:		
Increase (decrease) in long term debt	\$ 726,273	
Increase (decrease) in deferred revenue	<u>(463,592)</u>	<u>(879,622)</u>
Cash flows from (used for) financing activities	\$ 262,681	\$ (879,622)
Cash flows used for investing activities:		
Additions to tangible capital assets:		
General government	\$ (205,872)	\$ (895,600)
Protection to persons and property	(19,715)	(305,615)
Transportation services	(795,833)	(1,046,808)
Environmental services	(1,320,201)	(329,145)
Recreation and cultural services	<u>(18,032)</u>	<u>(85,188)</u>
Cash flows used for investing activities	\$ (2,359,653)	\$ (2,662,356)
Increase (decrease) in cash and cash equivalents during the year	\$ 313,535	\$ (1,608,758)
Cash and cash equivalents at the beginning of the year	<u>(852,163)</u>	<u>756,595</u>
Cash and cash equivalents at the end of the year	\$ (538,628)	\$ (852,163)

(See accompanying notes)

Township of Whitewater Region
Notes to the Financial Statements

For the year ended 31 December 2010

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the Township of Whitewater Region are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The focus of PSAB financial statements is on the financial position of the Township and changes thereto. The Consolidated Statement of Financial Position reports financial assets and liabilities. Financial assets are available to provide resources to discharge existing liabilities or finance future operations. Municipal position represents the financial position of the Township and is the difference between financial assets and liabilities. This information explains the Township's overall future revenue requirements and its ability to finance activities and meet its obligations.

(a) Reporting Entity

(i) The consolidated financial statements reflect financial assets, liabilities, operating revenues and expenditures, reserves, reserve funds, and changes in investment in tangible capital assets of the Township. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Township and which are owned or controlled by the Township. Interdepartmental and interorganizational transactions and balances between these organizations are eliminated.

These consolidated financial statements include:

- Township of Whitewater Region Waterworks
- Cobden and District Recreation Association
- Whitewater Region Public Library Board
- Whitewater Historical Society
- Whitewater Region Medical Centre

(ii) Accounting for County and School Board Transactions

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the county and school boards are not reflected in the municipal fund balances of these financial statements.

(iii) Trust fund and its related operations administered by the Township is not included in these financial statements but are reported separately.

(b) Accrual Basis of Accounting

Expenditures and related sources of financing are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which transactions or events occurred that gave rise to the revenue; expenditures are recognized in the period goods and services are acquired and a liability is incurred or transfers are due.

Township of Whitewater Region
Notes to the Financial Statements

For the year ended 31 December 2010

(c) 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 excess of revenues over expenses, provides the change in net financial assets for the year.

(d) Tangible Capital Assets

(i) Tangible capital assets (TCAs) are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Where the cost was not readily determinable, the assets were valued at their current fair market value and then discounted back to their in service date using the Consumer Price Index (CPI). Land for road segments is valued at \$ 1.00 per segment. All other land is valued at cost. Where cost was not readily determinable, the land was given a value of \$ 1.00 per segment. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	15 - 40 years
Buildings	15 - 80 years
Machinery and equipment	5 - 30 years
Vehicles	10 - 50 years
Linear assets	15 - 100 years

Amortization is calculated commencing the first month of the year following acquisition using the above rates. In the year of disposal a full year of amortization will be charged against the asset. Capital work in progress is not amortized until it is put into service.

The Township has a capitalization threshold of \$ 5,000, so that individual TCAs of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operational reasons.

(ii) 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 assets as of the date of transfer.

(iii) Leases

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

(iv) Inventories

Inventories held for consumption are recorded at the lower of cost or replacement cost.

(e) Investment Income

Investment income earned on current funds (other than obligatory reserve funds) are reported as revenue in the period earned. Investment income earned on externally restricted funds is added to the fund balance and forms part of the respective deferred revenue balance.

MACKILLIGAN & ASSOCIATES

CHARITERS ACCOUNTANTS

Township of Whitewater Region
Notes to the Financial Statements

For the year ended 31 December 2010

(f) Government Transfers
Government transfers are recognized in the financial statements in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

(g) Deferred Revenue
Certain amounts are received pursuant to regulations or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenditures are incurred or services performed.

(h) Deferred Revenue - Obligatory Reserve Funds
The Township receives restricted contributions under the authority of provincial and federal legislation and Township by-laws. These funds by their nature are restricted in their use and until applied to applicable costs are recorded as deferred revenue. Amounts applied to qualifying expenditures are recorded as revenue in the fiscal period they are expended.

(i) Financial Instruments
Financial instruments include cash, taxes receivable, accounts receivable, investment in Ottawa River Power Corporation, bank overdraft and operating loan, accounts payable and accrued liabilities, deferred revenue and long term debt. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying amounts reported on the statement of financial position for cash, taxes receivable, accounts receivable, bank overdraft and operating loan, accounts payable and accrued liabilities and deferred revenue, approximates their fair values, due to the immediate and short term maturities of these financial instruments.

The fair value of long term debt, including the current portion, is based on rates currently available to the Municipality with similar terms and maturities and approximates its carrying amounts as disclosed on the statement of financial position.

(j) Use of Estimates
The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the year. Actual results could differ from these estimates.

2. AMOUNTS TO BE RECOVERED

Amounts to be recovered represent the requirement of the Township to raise funds in subsequent periods to finance unfunded liabilities, comprised of the employee future benefits and landfill closure and post closure liabilities.

3. TRUST FUND

Trust fund administered by the Township, totaling \$ 959 (2009 - \$ 2,508) is presented in a separate financial statement of trust fund financial position and financial activities. As such, balances held in trust by the Township for the benefit of others have not been included in the Consolidated Statement of Financial Position nor have its operations been included in the Consolidated Statement of Financial Activities.

Township of Whitewater Region
Notes to the Financial Statements

For the year ended 31 December 2010

4. INVESTMENT IN OTTAWA RIVER POWER CORPORATION

The investment in Ottawa River Power Corporation is carried at cost and is comprised as follows:

147 Common shares of Ottawa River Power Corporation	\$	147,000
147 Common shares of Ottawa River Solutions Inc.		735
7.25% Promissory Note from Ottawa River Power Corporation		<u>147,000</u>
	\$	<u><u>294,735</u></u>

5. OPERATIONS OF SCHOOL BOARDS AND COUNTY OF RENFREW

Requisitions were made by the School Boards and County of Renfrew requiring the Township to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	<u>School Boards</u>	<u>County</u>
Property taxes	\$ 1,941,342	\$ 2,340,061
Payments in lieu	<u>20</u>	<u>28,071</u>
	\$ <u><u>1,941,362</u></u>	\$ <u><u>2,368,132</u></u>

6. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the public sector accounting principles of the Canadian Institute of Chartered Accountants is that obligatory reserve funds be reported as deferred revenue. This requirement is in place because federal, provincial and municipal legislation restricts how these funds may be used. The balances in the obligatory reserve funds of the Township are summarized below:

(a) The balance of deferred revenue - obligatory reserve funds on the "Consolidated Statement of Financial Position" at the end of the year is comprised of the following externally restricted reserve funds:

	<u>2010</u>	<u>2009</u>
Parkland Reserve Fund	\$ 27,221	\$ 26,808
Water and Sewer Reserve Fund	26,654	39,468
Gasoline Tax - Federal	<u>680</u>	<u>211,855</u>
	\$ <u><u>54,555</u></u>	\$ <u><u>278,131</u></u>

(b) Transactions during the year in the deferred revenue - obligatory reserve funds are as follows:

	<u>2010</u>	<u>2009</u>
Balance at the beginning of the year	\$ 278,131	\$ 218,960
Gas tax revenue received	204,086	211,855
Subdivider fees		2,500
Interest earned	<u>499</u>	<u>934</u>
Used to purchase tangible capital assets	\$ 482,716	\$ 434,249
	<u>(428,161)</u>	<u>(156,118)</u>
Balance at the end of the year	\$ <u><u>54,555</u></u>	\$ <u><u>278,131</u></u>

Township of Whitewater Region

Notes to the Financial Statements

For the year ended 31 December 2010

7. LANDFILL CLOSURE AND POST CLOSURE LIABILITY

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage.

Landfill closure and post closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a ten year period using the best information available to management. The Ross landfill site has an estimated remaining capacity of 394,340 cubic metres and a life expectancy of thirty plus years. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

8. CONTINGENT LIABILITIES

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. The Township is not aware of any claims or possible claims as at 31 December 2010. The Municipality is contingently liable for long term liabilities with respect to tile drainage loans of \$ 366,336 (2009 - \$ 341,982).

9. BUDGET FIGURES

The operating budget approved by the Township of Whitewater Region, for 2010 is reflected on the Consolidated Statement of Financial Activities. The budget established for capital investment in tangible capital assets is on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. As well, the Township does not budget activity within reserves and reserve funds, with the exception being those transactions which affect either operations or capital investments. Budget figures have been reclassified for the purpose of these financial statements to comply with PSAB reporting requirements.

10. TANGIBLE CAPITAL ASSETS

The Schedule of Tangible Capital Assets provides information on the tangible capital assets of the Township by major asset class and by function, as well as for accumulated amortization of the assets controlled. The reader should be aware of the following information relating to tangible capital assets:

- (i) Contributed Tangible Capital Assets
 - The Township records all tangible capital assets contributed by an external party at fair value on the earlier of the date received or of the transfer of risk and responsibility. Typical examples are roadways, water and sewer lines installed by a developer as part of a subdivision agreement. There were no such transfers in 2010.
- (ii) Tangible Capital Assets Recognized at Nominal Value
 - Certain assets have been assigned a nominal value of one dollar, because of the difficulty of determining a tenable valuation. The most significant such assets are the Township's road allowances. The 2010 road network had segments, each of which has been assigned a value of one dollar for the road allowance itself.

Township of Whitewater Region
Notes to the Financial Statements

For the year ended 31 December 2010

11. NET LONG TERM LIABILITIES

2010

2009

(a) Total long term liabilities incurred by the Municipality and outstanding at the end of the year amount to \$ 1,842,609 \$ 1,091,982

Of the long term liabilities shown above, responsibility for repayment has been assumed by benefitting landowners for tile drainage loans in the amount of 366,336 341,982

Net long term liabilities at the end of the year \$ 1,476,273 \$ 750,000

(b) Principal payments required on the net long term liabilities are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 34,904	\$ 71,023	\$ 105,927
2012	36,513	69,414	105,927
2013	38,197	67,730	105,927
2014	39,959	65,967	105,926
2015	41,804	64,123	105,927
2016 to 2020	229,348	289,794	519,142
2021 onward	<u>1,055,548</u>	<u>600,829</u>	<u>1,656,377</u>
	<u>\$ 1,476,273</u>	<u>\$ 1,228,880</u>	<u>\$ 2,705,153</u>

12. CHARGES FOR NET LONG TERM LIABILITIES

(a) Total charges for the year for net long term liabilities are as follows:

Principal	\$ 16,871
Interest	<u>41,439</u>
	<u>\$ 58,310</u>

These payments are within the annual debt repayment limit as prescribed by the Ministry of Municipal Affairs and Housing under Ontario Regulation 403/02.

(b) The interest charges shown in (a) above are reported on the Consolidated Statement of Financial Activities under the appropriate functional expenditure heading.

13. EXPENDITURES BY OBJECT

The Consolidated Statement of Financial Activities presents the consolidated expenditures by function. The following listing classifies the expenditures by object:

	<u>2010</u>	<u>2009</u>
Salaries, wages and employee benefits	\$ 2,061,600	\$ 2,029,718
Interest on long term debt	41,439	
Operating materials and supplies	2,123,024	2,170,039
Contracted services	842,382	787,159
Rent and financial expenses	10,357	6,487
External transfers	61,632	51,427
Amortization	<u>1,880,391</u>	<u>1,866,612</u>
Total expenditures by object	<u>\$ 7,020,825</u>	<u>\$ 6,911,442</u>

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region
Schedule of General Financial Activities
 For the year ended 31 December 2010
 (with 2010 budget and 2009 actual figures for comparison)

	2010	2010	2009
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue:			
Net municipal taxation	\$ 2,990,717	\$ 3,010,706	\$ 2,707,420
User charges	184,000	183,260	183,777
Government transfers:			
Ontario	1,461,991	1,686,706	2,534,095
Canada	416,261	544,112	208,381
Other municipalities	7,500	7,542	8,542
Other	<u>759,397</u>	<u>808,253</u>	<u>697,622</u>
	<u>\$ 5,819,866</u>	<u>\$ 6,240,579</u>	<u>\$ 6,339,837</u>
Expenditure:			
General government	\$ 898,993	\$ 855,754	\$ 790,936
Protection to persons and property	1,213,294	1,161,776	1,130,847
Transportation services	3,215,960	3,018,514	3,033,329
Environmental services	771,176	774,503	804,725
Health services	15,099	15,980	15,117
Recreation and cultural services	189,662	190,277	187,254
Planning and development	<u>40,436</u>	<u>28,837</u>	<u>30,656</u>
	<u>\$ 6,344,620</u>	<u>\$ 6,045,641</u>	<u>\$ 5,992,864</u>
Net revenue (expenditure)	<u>\$ (524,754)</u>	<u>\$ 194,938</u>	<u>\$ 346,973</u>
Transfers:			
Transfer to Cobden and District Recreation	\$ (12,500)	\$ (12,500)	\$ (12,500)
Transfer to Whitewater Region Public Library	(34,800)	(33,406)	(33,629)
Transfer to Whitewater Historical Society	(8,271)	(6,121)	(6,032)
Transfer from (to) reserves	40,611	(479,776)	245,774
Transfer to waterworks - Haley	(18,803)	(18,803)	(13,909)
Transfer to waterworks - Beachburg	(5,227)	(5,227)	
Transfer from (to) equity in tangible capital assets	<u>549,148</u>	<u>386,862</u>	<u>(508,250)</u>
Net transfers	<u>\$ 510,158</u>	<u>\$ (168,971)</u>	<u>\$ (328,546)</u>
Change in general surplus for the year	\$ (14,596)	\$ 25,967	\$ 18,427
General surplus (deficit) at the beginning of the year	<u>14,596</u>	<u>14,596</u>	<u>(3,831)</u>
General surplus at the end of the year	<u>\$ -</u>	<u>\$ 40,563</u>	<u>\$ 14,596</u>

(See accompanying notes)

Township of Whitewater Region
Schedule of Tangible Capital Assets
As at 31 December 2010
(with 2009 figures for comparison)

Segmented by asset class:	Balance at 31 December 2009	Additions	Disposals, write-offs and adjustments	Balance at 31 December 2010
<u>Cost</u>				
Land	\$ 550,122			\$ 550,122
Land improvements	356,010	9,382		365,392
Buildings	12,210,323	5,331,916	(20,284)	17,521,955
Linear assets	37,810,090	2,116,034		39,926,124
Machinery and equipment				
Vehicles	1,305,351	84,142		1,389,493
Capital work in progress	3,398,697			3,398,697
	<u>5,181,821</u>	<u>(5,181,821)</u>		
Total	<u>\$ 60,812,414</u>	<u>\$ 2,359,653</u>	<u>\$ (20,284)</u>	<u>\$ 63,151,783</u>
	Balance at		Disposals, write-offs and	Balance at
<u>Accumulated amortization</u>	31 December 2009	Amortization	adjustments	31 December 2010
Land improvements	\$ 219,633	10,309		\$ 229,942
Buildings	7,315,550	173,296	(20,284)	7,468,562
Linear assets	19,147,179	1,460,469		20,607,648
Machinery and equipment	493,796	86,088		579,884
Vehicles	<u>1,444,046</u>	<u>150,229</u>		<u>1,594,275</u>
Total	<u>\$ 28,620,204</u>	<u>\$ 1,880,391</u>	<u>\$ (20,284)</u>	<u>\$ 30,480,311</u>
	Balance at		Balance at	
<u>Net book value</u>	31 December 2009		31 December 2010	
Land	\$ 550,122		\$ 550,122	
Land improvements	136,377		135,450	
Buildings	4,894,773		10,053,393	
Linear assets	18,662,911		19,318,476	
Machinery and equipment	811,555		809,609	
Vehicles	<u>1,954,651</u>		<u>1,804,422</u>	
Capital work in progress	<u>5,181,821</u>			
Total	<u>\$ 32,192,210</u>		<u>\$ 32,671,472</u>	

(See accompanying notes)

Township of Whitewater Region
 Schedule of Tangible Capital Assets
 As at 31 December 2010
 (with 2009 figures for comparison)

Segmented by function: <u>Cost</u>	Balance at	Additions		Disposals,	Balance at
	31 December 2009			write-offs and adjustments	31 December 2010
General government	\$ 1,410,815	\$ 205,872			\$ 1,616,687
Protection services	2,181,050	19,715			2,200,765
Transportation services	37,015,087	795,833	\$ (20,284)		37,790,636
Environmental services	15,815,162	1,320,201			17,135,363
Health services	61,851				61,851
Recreation and cultural services	4,105,917	18,032			4,123,949
Planning and development	<u>222,532</u>				<u>222,532</u>
Total	<u>\$ 60,812,414</u>	<u>\$ 2,359,653</u>	<u>\$ (20,284)</u>		<u>\$ 63,151,783</u>
Accumulated amortization	Balance at 31 December 2009	Amortization	Disposals, write-offs and adjustments	Balance at 31 December 2010	
General government	\$ 84,170	\$ 23,562		\$ 107,732	
Protection services	680,112	87,808		767,920	
Transportation services	19,346,885	1,514,432	\$ (20,284)	20,841,033	
Environmental services	6,123,634	161,064		6,284,698	
Health services	37,239	1,497		38,736	
Recreation and cultural services	2,223,088	87,842		2,310,930	
Planning and development	<u>125,076</u>	<u>4,186</u>		<u>129,262</u>	
Total	<u>\$ 28,620,204</u>	<u>\$ 1,880,391</u>	<u>\$ (20,284)</u>	<u>\$ 30,480,311</u>	
<u>Net book value</u>			Balance at 31 December 2009	Balance at 31 December 2010	
General government			\$ 1,326,645	\$ 1,508,955	
Protection services			1,500,938	1,432,845	
Transportation services			17,668,202	16,949,603	
Environmental services			9,691,528	10,850,665	
Health services			24,612	23,115	
Recreation and cultural services			1,882,829	1,813,019	
Planning and development			<u>97,456</u>	<u>93,270</u>	
Total			<u>\$ 32,192,210</u>	<u>\$ 32,671,472</u>	

(See accompanying notes)

Township of Whitewater Region

Schedule of Reserves and Reserve Funds

For the year ended 31 December 2010
(with 2009 figures for comparison)

	2010	2009
Contributions:		
From operations	\$ 604,387	\$ 87,118
Other	<u>597</u>	<u>601</u>
	\$ 604,984	\$ 87,719
Transfers:		
Transfer to operations	\$ 113,037	\$ 12,175
Transfer to tangible capital acquisitions	<u>73,000</u>	<u>362,068</u>
	\$ 186,037	\$ 374,243
Change in reserves and reserve funds balance	\$ 418,947	\$ (286,524)
Reserves and reserve funds at the beginning of the year	<u>1,280,730</u>	<u>1,567,254</u>
Reserves and reserve funds at the end of the year	<u>\$ 1,699,677</u>	<u>\$ 1,280,730</u>
Reserves:		
Working funds	\$ 763,284	\$ 756,559
General government	6,226	3,226
Protection services	196,047	42,000
Roadways	367,000	73,000
Wastewater system	102,072	100,068
Waterworks system	112,705	204,131
Solid waste disposal	38,867	23,867
Health services	5,000	
Recreation	40,058	10,058
Other	<u>44,821</u>	<u>44,821</u>
Total reserves	\$ 1,676,080	\$ 1,257,730
Discretionary reserve fund set aside for specific purpose:		
Wastewater system	<u>23,597</u>	<u>23,000</u>
Total reserves and reserve funds	<u>\$ 1,699,677</u>	<u>\$ 1,280,730</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

252 Raglan Street S.
Renfrew, Ontario

INDEPENDENT AUDITORS' REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Township of Whitewater Region.

We have audited the accompanying financial statements of the trust fund of the Corporation of the Township of Whitewater Region, which comprise the statement of financial position as at 31 December 2010, and the statement of financial activities 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 for local governments, 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 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 fund of the Corporation of the Township of Whitewater Region as at 31 December 2010, and the results of its operations for the year then ended in accordance with Canadian Public Sector Accounting Standards for local governments.



RENFREW, Ontario,
6 April 2011.

Chartered Accountants,
Licensed Public Accountants.

Township of Whitewater Region
Trust Fund

Statement of Financial Position

For the year ended 31 December 2010
(with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash in bank	\$ 850	\$ 1,638
Loans receivable (Note 2)	<u>152</u>	<u>953</u>
	<u>\$ 1,002</u>	<u>\$ 2,591</u>

LIABILITY AND FUND BALANCE

Due to Township of Whitewater Region	\$ 43	\$ 83
Fund balance	<u>959</u>	<u>2,508</u>
	<u>\$ 1,002</u>	<u>\$ 2,591</u>

Township of Whitewater Region
Trust Fund

Statement of Financial Activities

For the year ended 31 December 2010
(with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
Balance at the beginning of the year	\$ 2,508	\$ 4,908
Revenue:		
Interest earned - at bank	\$ 49	\$ 1
- loans	<u>49</u>	<u>123</u>
	\$ 98	\$ 124
Expenditure:		
Administration charges	\$ 43	\$ 83
Repayment to the Province of Ontario	<u>1,555</u>	<u>2,441</u>
	\$ 1,598	\$ 2,524
Balance at the end of the year	<u>\$ 959</u>	<u>\$ 2,508</u>

(See accompanying notes)

Township of Whitewater Region

Trust Fund

Notes to the Financial Statements

For the year ended 31 December 2010

1. ACCOUNTING POLICIES

Basis of Accounting
Capital receipts and income are reported on the cash basis of accounting.

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

2. ONTARIO HOME RENEWAL PROGRAM

Ontario Home Renewal Program loans receivable at 31 December 2010 comprise repayable loans of \$ 152 (2009 - \$ 953). In the event of the sale or lease of the home or in the event of the homeowner ceasing to occupy the home, the balances of the repayable loan immediately becomes due and payable by the homeowner.

In 1993, the Ministry of Municipal Affairs and Housing announced that the Ontario Home Renewal Program was being discontinued and that all cash funds on hand at the end of each year are to be returned to the Province by 1 March of the next year. For the year ended 31 December 2010, the amount of \$ 808 must be returned to the Province by 1 March 2011.

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

252 Raglan Street S.
Renfrew, OntarioINDEPENDENT AUDITORS' REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Township of Whitewater Region.

We have audited the accompanying consolidated financial statements of the Township of Whitewater Region Waterworks, which comprise the consolidated statement of financial position as at 31 December 2010, and the consolidated statement of financial activities, for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards for local governments, 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 consolidated 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 auditor's 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 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 audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Township of Whitewater Region Waterworks as at 31 December 2010, and the results of its operations for the year then ended in accordance with Canadian Public Sector Accounting Standards for local governments.



RENFREW, Ontario.

Chartered Accountants,

6 April 2011.

Licensed Public Accountants.

Township of Whitewater Region Waterworks

Consolidated Statement of Financial Position

As at 31 December 2010
(with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
Financial assets:		
Cash in bank	\$ 53,247	\$ 61,943
Due from Canada	16,886	4,794
Due from Province	329,021	393
Accounts receivable	<u>2,319</u>	<u>2,723</u>
	\$ 401,473	\$ 69,853
Financial liabilities:		
Accounts payable	\$ 27,933	\$ 38,175
Due to current fund	628,464	1,696,646
O.S.I.F. A. loan	<u>1,476,273</u>	<u>750,000</u>
O.I.P.C. debentures (Note 2)	\$ 2,132,670	\$ 2,484,821
	\$ (1,731,197)	\$ (2,414,968)
Net financial assets (liabilities)		
	<u>8,104,334</u>	<u>7,354,519</u>
Non-financial assets:		
Tangible capital assets (net)	<u>6,373,137</u>	<u>4,939,551</u>
Accumulated surplus		
Accumulated surplus comprised of:		
Equity in tangible capital assets:		
Cobden	\$ 3,254,998	\$ 2,522,681
Beachburg	2,462,886	2,094,610
Haley	550,721	140,574
Fund balances:		
Cobden	3,520	(30,923)
Beachburg	(6,196)	5,099
Haley	(5,497)	3,379
Reserves	<u>112,705</u>	<u>204,131</u>
Total accumulated surplus	<u>\$ 6,373,137</u>	<u>\$ 4,939,551</u>

(See accompanying notes)

Township of Whitewater Region Waterworks
Consolidated Statement of Financial Activities

For the year ended 31 December 2010
(with 2010 budget and 2009 actual figures for comparison)

	2010	2010	2009
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue:			
Water service charges	\$ 389,320	\$ 397,713	\$ 388,872
Municipal grant	24,030	24,030	13,909
Ontario grant - OSWAP	39,990	39,990	39,990
- capital	1,147,000	1,146,660	
Canada grant - capital	437,000	436,771	
Other	3,750	3,750	3,373
Interest	<u> </u>	<u>503</u>	<u>42</u>
	\$ <u>2,041,090</u>	\$ <u>2,049,417</u>	\$ <u>446,186</u>
Expenditure:			
Administration	\$ 61,147	\$ 70,722	\$ 80,555
Amortization	176,656	89,563	89,240
Debtenture interest	36,092	41,439	
Distribution:			
Salaries	42,261	42,439	50,688
Facility supplies, utilities and maintenance	48,750	68,463	78,062
Transmission:			
Salaries	163,730	161,670	155,124
Facility supplies, utilities and maintenance	<u>125,750</u>	<u>141,535</u>	<u>112,041</u>
	\$ <u>654,386</u>	\$ <u>615,831</u>	\$ <u>565,710</u>
Net surplus (deficit) for the year	\$ 1,386,704	\$ 1,433,586	\$ (119,524)
Accumulated surplus at the beginning of the year	<u>4,939,551</u>	<u>4,939,551</u>	<u>5,059,075</u>
Accumulated surplus at the end of the year	\$ <u><u>6,326,255</u></u>	\$ <u><u>6,373,137</u></u>	\$ <u><u>4,939,551</u></u>

(See accompanying notes)

Township of Whitewater Region Waterworks
Notes to the Financial Statements

For the year ended 31 December 2010

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Cobden and District Recreation Association Waterworks are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

Basis of Accounting

(a) Sources of financing and expenditures are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Tangible Capital Assets (TCAs) are recorded at cost, which include 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	50 - 80 years
Linear assets	50 - 100 years

Amortization is calculated commencing the first month of the year following acquisition using the above rates. In the year of disposal a full year of amortization will be charged against the asset. Capital work in progress is not amortized until it is put into service.

2. O.I.P.C. DEBENTURES

(a) The balance of \$ 1,476,273 reported on the "Consolidated Statement of Financial Position" is made up of debentures incurred by the waterworks to finance the upgrades at the three water plants.

(b) Principal payments required on the long term liabilities are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 34,904	\$ 71,023	\$ 105,927
2012	36,513	69,414	105,927
2013	38,197	67,730	105,927
2014	39,959	65,967	105,926
2015	41,804	64,123	105,927
2016 to 2020	229,348	289,794	519,142
2021 onward	<u>1,055,548</u>	<u>600,829</u>	<u>1,656,377</u>
	<u>\$ 1,476,273</u>	<u>\$ 1,228,880</u>	<u>\$ 2,705,153</u>

Township of Whitewater Region Waterworks
Notes to the Financial Statements
For the year ended 31 December 2010

3. CHARGES FOR O.I.P.C. DEBENTURES

Total charges for the year for debentures are as follows:

Principal	\$ 16,871
Interest	<u>41,439</u>
	<u>\$ 58,310</u>

These payments are within the annual debt repayment limit as prescribed by the Ministry of Municipal Affairs and Housing under Ontario Regulation 403/02.

Township of Whitewater Region Waterworks - Cobden

Schedule of Waterworks Financial Activities

For the year ended 31 December 2010
(with 2010 budget and 2009 actual figures for comparison)

	2010 <u>Budget</u>	2010 <u>Actual</u>	2009 <u>Actual</u>
Revenue:			
Water service charges	\$ 205,000	\$ 210,155	\$ 205,075
Ontario grant - OSWAP	26,660	26,660	9,000
- capital	637,000	637,207	
Canada grant - capital	119,000	118,987	
Other	3,750	3,750	3,300
Interest	<u> </u>	<u>503</u>	<u>42</u>
	\$ <u>991,410</u>	\$ <u>997,262</u>	\$ <u>217,417</u>
Expenditure:			
Administration	\$ 27,928	\$ 31,103	\$ 32,890
Amortization	96,138	32,071	32,071
Debtenture interest	27,229	31,186	
Distribution:			
Salaries	30,000	23,609	33,780
Facility supplies, utilities and maintenance	37,200	44,503	59,312
Transmission:			
Salaries	73,860	75,816	70,126
Facility supplies, utilities and maintenance	<u>66,800</u>	<u>77,148</u>	<u>57,249</u>
	\$ <u>359,155</u>	\$ <u>315,436</u>	\$ <u>285,428</u>
Net revenue (expenditure) for the year	\$ <u>632,255</u>	\$ <u>681,826</u>	\$ <u>(68,011)</u>
Financing and transfers:			
Transfer from (to) equity in tangible capital assets	\$ (686,266)	\$ (732,317)	\$ 32,071
Transfer from (to) reserves	<u>84,934</u>	<u>84,934</u>	<u>(3,118)</u>
Net financing and transfers	\$ <u>(601,332)</u>	\$ <u>(647,383)</u>	\$ <u>28,953</u>
Change in waterworks surplus (deficit) during the year	\$ 30,923	\$ 34,443	\$ (39,058)
Waterworks surplus (deficit) at the beginning of the year	<u>(30,923)</u>	<u>(30,923)</u>	<u>8,135</u>
Waterworks surplus (deficit) at the end of the year	\$ <u> </u>	\$ <u>3,520</u>	\$ <u>(30,923)</u>

(See accompanying notes)

Township of Whitewater Region Waterworks - Beachburg

Schedule of Waterworks Financial Activities

For the year ended 31 December 2010
(with 2010 budget and 2009 actual figures for comparison)

	2010 Budget	2010 Actual	2009 Actual
Revenue:			
Water service charges	\$ 168,000	\$ 171,238	\$ 167,477
Municipal grant	5,227	5,227	
Ontario grant - OSWAP			12,000
- capital	277,000	276,636	
Canada grant - capital	142,000	141,758	
Other	_____	_____	73
	\$ <u>592,227</u>	\$ <u>594,859</u>	\$ <u>179,550</u>
Expenditure:			
Administration	\$ 29,776	\$ 32,998	\$ 34,957
Amortization	67,443	57,165	57,165
Debtenture interest	3,445	4,033	
Distribution:			
Salaries	10,350	16,169	14,998
Facility supplies, utilities and maintenance	7,100	17,680	12,994
Transmission:			
Salaries	72,260	67,990	68,347
Facility supplies, utilities and maintenance	46,300	50,335	43,863
	\$ <u>236,674</u>	\$ <u>246,370</u>	\$ <u>232,324</u>
Net revenue (expenditure) for the year	\$ <u>355,553</u>	\$ <u>348,489</u>	\$ <u>(52,774)</u>
Financing and transfers:			
Transfer from (to) equity in tangible capital assets	\$ (369,144)	\$ (368,276)	\$ 57,165
Transfer from reserves	8,492	8,492	6,175
Net financing and transfers	\$ <u>(360,652)</u>	\$ <u>(359,784)</u>	\$ <u>63,340</u>
Change in waterworks surplus (deficit) during the year	\$ (5,099)	\$ (11,295)	\$ 10,566
Waterworks surplus (deficit) at the beginning of the year	5,099	5,099	(5,467)
Waterworks surplus (deficit) at the end of the year	\$ _____	\$ <u>(6,196)</u>	\$ <u>5,099</u>

(See accompanying notes)

Township of Whitewater Region Waterworks - Haley

Schedule of Waterworks Financial Activities

For the year ended 31 December 2010
(with 2010 budget and 2009 actual figures for comparison)

	2010	2010	2009
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue:			
Water service charges	\$ 16,320	\$ 16,320	\$ 16,320
Municipal grant	18,803	18,803	13,909
Ontario grant - OSW/AP	13,330	13,330	18,990
- capital	233,000	232,817	
Canada grant - capital	<u>176,000</u>	<u>176,026</u>	
	\$ 457,453	\$ 457,296	\$ 49,219
Expenditure:			
Administration	\$ 3,443	\$ 6,621	\$ 12,708
Amortization	13,075	327	4
Debture interest	5,418	6,220	
Distribution:			
Salaries	1,911	2,661	1,910
Facility supplies, utilities and maintenance	4,450	6,280	5,756
Transmission:			
Salaries	17,610	17,864	16,651
Facility supplies, utilities and maintenance	<u>12,650</u>	<u>14,052</u>	<u>10,929</u>
	\$ 58,557	\$ 54,025	\$ 47,958
Net revenue for the year	\$ 398,896	\$ 403,271	\$ 1,261
Financing and transfers:			
Transfer from (to) equity in tangible capital assets	\$ (400,275)	\$ (410,147)	\$ 4
Transfer to reserves	<u>(2,000)</u>	<u>(2,000)</u>	
Net financing and transfers	\$ (402,275)	\$ (412,147)	\$ 4
Change in waterworks surplus (deficit) during the year	\$ (3,379)	\$ (8,876)	\$ 1,265
Waterworks surplus at the beginning of the year	<u>3,379</u>	<u>3,379</u>	<u>2,114</u>
Waterworks surplus (deficit) at the end of the year	\$ -	\$ (5,497)	\$ 3,379

(See accompanying notes)

Township of Whitewater Region Waterworks - Cobden

Schedule of Tangible Capital Assets

As at 31 December 2010
(with 2009 figures for comparison)

	Balance at 31 December 2009	Additions	Disposals, write-offs and adjustments	Balance at 31 December 2010
<u>Cost:</u>				
Land	\$ 1			\$ 1
Buildings	1,403,588	3,203,329		4,606,917
Linear assets	984,742			984,742
Construction in progress	<u>3,203,329</u>		<u>(3,203,329)</u>	
Total	<u>\$ 5,591,660</u>	<u>\$ 3,203,329</u>	<u>\$ (3,203,329)</u>	<u>\$ 5,591,660</u>
<u>Accumulated amortization</u>	Balance at 31 December 2009	Amortization	Disposals, write-offs and adjustments	Balance at 31 December 2010
Buildings	\$ 893,276	\$ 13,548	\$ -	\$ 906,824
Linear assets	<u>413,511</u>	<u>18,523</u>		<u>432,034</u>
Total	<u>\$ 1,306,787</u>	<u>\$ 32,071</u>	<u>\$ -</u>	<u>\$ 1,338,858</u>
<u>Net book value</u>			Balance at 31 December 2009	Balance at 31 December 2010
Land			\$ 1	\$ 1
Buildings			510,312	3,700,093
Linear assets			571,231	552,708
Construction in progress			<u>3,203,329</u>	
Total			<u>\$ 4,284,873</u>	<u>\$ 4,252,802</u>

(See accompanying notes)

Township of Whitewater Region Waterworks - Beachburg
Schedule of Tangible Capital Assets
As at 31 December 2010
(with 2009 figures for comparison)

	Balance at 31 December 2009	Additions	Disposals, write-offs and adjustments	Balance at 31 December 2010
Cost:				
Land	\$ 1			\$ 1
Buildings	1,634,386	498,042		2,132,428
Linear assets	1,320,134	391,772		1,711,906
Construction in progress	498,042		(498,042)	
Total	<u>\$ 3,452,563</u>	<u>\$ 889,814</u>	<u>\$ (498,042)</u>	<u>\$ 3,844,335</u>
Accumulated amortization	Balance at 31 December 2009	Amortization	Disposals, write-offs and adjustments	Balance at 31 December 2010
Buildings	\$ 597,091	\$ 32,688	\$ -	\$ 629,779
Linear assets	439,552	24,477		464,029
Total	<u>\$ 1,036,643</u>	<u>\$ 57,165</u>	<u>\$ -</u>	<u>\$ 1,093,808</u>
Net book value			Balance at 31 December 2009	Balance at 31 December 2010
Land			\$ 1	\$ 1
Buildings			1,037,295	1,502,649
Linear assets			880,582	1,247,877
Construction in progress			498,042	
Total			<u>\$ 2,415,920</u>	<u>\$ 2,750,527</u>

(See accompanying notes)

Township of Whitewater Region Waterworks - Haley
Schedule of Tangible Capital Assets
As at 31 December 2010
(with 2009 figures for comparison)

	Balance at 31 December 2009	Additions	Disposals, write-offs and adjustments	Balance at 31 December 2010
<u>Cost:</u>				
Land	\$ 1			\$ 1
Buildings	19,675	637,398		637,398
Linear assets	637,398	447,607		467,282
Construction in progress	—		(637,398)	—
Total	<u>\$ 657,074</u>	<u>\$ 1,085,005</u>	<u>\$ (637,398)</u>	<u>\$ 1,104,681</u>
Accumulated amortization	Balance at 31 December 2009	Amortization	Disposals, write-offs and adjustments	Balance at 31 December 2010
Linear assets	\$ 3,349	327	-	\$ 3,676
Total	<u>\$ 3,349</u>	<u>\$ 327</u>	<u>\$ -</u>	<u>\$ 3,676</u>
<u>Net book value</u>				
Land			\$ 1	\$ 1
Buildings			16,326	637,398
Linear assets			637,398	463,606
Construction in progress				
Total			<u>\$ 653,725</u>	<u>\$ 1,101,005</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

252 Raglan Street S.
Renfrew, OntarioINDEPENDENT AUDITORS' REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Township of Whitewater Region.

We have audited the accompanying financial statements of the Cobden and District Recreation Association, which comprise the statement of financial position as at 31 December 2010, and the statement of financial activities 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 for local governments, 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 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 qualified basis for our audit opinion.

Basis for Qualified Opinion

In common with many such organizations, the Association derives revenue from donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Cobden and District Recreation Association and we were not able to determine whether any adjustments might be necessary to donations, assets and accumulated surplus.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Cobden and District Recreation Association as at 31 December 2010, and the results of its operations for the year then ended in accordance with Canadian Public Sector Accounting Standards for local governments.



RENFREW, Ontario.

Chartered Accountants,

6 April 2011.

Licensed Public Accountants.

Cobden and District Recreation Association

Statement of Financial Position

As at 31 December 2010
(with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
Financial assets:		
Cash on hand and in bank	\$ 66,769	\$ 76,213
Accounts receivable	<u>24,770</u>	<u>25,713</u>
	\$ 91,539	\$ 101,926
Financial liabilities:		
Accounts payable	\$ 6,392	\$ 8,600
Due to Canada	6,413	1,204
Due to Municipality	<u>21,504</u>	<u>53,657</u>
	\$ 34,309	\$ 63,461
Net financial assets	<u>\$ 57,230</u>	<u>\$ 38,465</u>
Non-financial assets:		
Tangible capital assets - arena equipment	\$ 215,554	\$ 206,904
Less accumulated amortization - arena equipment	<u>(67,200)</u>	<u>(58,739)</u>
	\$ 148,354	\$ 148,165
Accumulated surplus	<u>\$ 205,584</u>	<u>\$ 186,630</u>
Accumulated surplus comprised of:		
Equity in tangible capital assets	\$ 148,354	\$ 148,165
Recreation general surplus	17,230	28,465
Reserves	<u>40,000</u>	<u>10,000</u>
Total accumulated surplus	<u>\$ 205,584</u>	<u>\$ 186,630</u>

(See accompanying notes)

Cobden and District Recreation Association
Statement of Financial Activities
For the year ended 31 December 2010
(with 2010 budget and 2009 actual figures for comparison)

	2010 Budget	2010 Actual	2009 Actual
Revenue:			
Municipal grant	\$ 10,000	\$ 12,500	\$ 12,500
Other municipalities	3,020	4,020	1,420
Donations		15,531	
Facility rentals	217,600	201,347	214,073
Trade in of capital asset			6,000
	<u>\$ 230,620</u>	<u>\$ 233,398</u>	<u>\$ 233,993</u>
Expenditure:			
Administration	\$ 4,485	\$ 3,905	\$ 3,992
Amortization	8,461	8,461	7,281
Maintenance of property and equipment	49,600	50,553	49,601
Salaries	110,000	103,202	105,523
Utilities	55,000	48,323	47,921
	<u>\$ 227,546</u>	<u>\$ 214,444</u>	<u>\$ 214,318</u>
Net surplus for the year	\$ 3,074	\$ 18,954	\$ 19,675
Accumulated surplus at the beginning of the year	<u>186,630</u>	<u>186,630</u>	<u>166,955</u>
Accumulated surplus at the end of the year	<u>\$ 189,704</u>	<u>\$ 205,584</u>	<u>\$ 186,630</u>

(See accompanying notes)

Cobden and District Recreation Association

Notes to the Financial Statements

For the year ended 31 December 2010

1. ACCOUNTING POLICIES

The financial statements of the Cobden and District Recreation Association are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

Basis of Accounting

- (1) Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.
- (2) Tangible Capital Assets (TCAs) are recorded at cost, which include 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:

Machinery and equipment	20 - 30 years
-------------------------	---------------

Amortization is calculated commencing the first month of the year following acquisition using the above rates. In the year of disposal a full year of amortization will be charged against the asset. Capital work in progress is not amortized until it is put into service.

Cobden and District Recreation Association
Schedule of Recreation General Financial Activities
 For the year ended 31 December 2010
 (with 2010 budget and 2009 actual figures for comparison)

	2010 <u>Budget</u>	2010 <u>Actual</u>	2009 <u>Actual</u>
Recreation general surplus at the beginning of the year	\$ 28,465	\$ 28,465	\$ 40,075
Revenue:			
Other municipalities	\$ 3,020	\$ 4,020	\$ 1,420
Donations		15,531	
Facility rentals	217,600	201,347	214,073
Trade in of capital asset			6,000
	<u>\$ 220,620</u>	<u>\$ 220,898</u>	<u>\$ 221,493</u>
Expenditure:			
Administration	\$ 4,485	\$ 3,905	\$ 3,991
Amortization	8,461	8,461	7,281
Maintenance of property and equipment	49,600	50,553	49,601
Salaries	110,000	103,202	105,523
Utilities	55,000	48,323	47,921
	<u>\$ 227,546</u>	<u>\$ 214,444</u>	<u>\$ 214,317</u>
Net revenue (expenditure)	\$ (6,926)	\$ 6,454	\$ 7,176
Transfers:			
Transfer from Municipality	\$ 10,000	\$ 12,500	\$ 12,500
Transfer from (to) reserves	(30,000)	(30,000)	38,294
Transfer to equity in tangible capital assets	(1,539)	(189)	(69,580)
Net transfers	<u>\$ (21,539)</u>	<u>\$ (17,689)</u>	<u>\$ (18,786)</u>
Change in recreation general surplus during the year	\$ (28,465)	\$ (11,235)	\$ (11,610)
Recreation general surplus at the end of the year	<u>\$ -</u>	<u>\$ 17,230</u>	<u>\$ 28,465</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS
252 Raiglen Street S.
Renfrew, Ontario

INDEPENDENT AUDITORS' REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Township of Whitewater Region.

We have audited the accompanying financial statements of the Whitewater Region Public Library Board which comprise the statement of financial position as at 31 December 2010, and the statement of financial activities 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 for local governments, 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 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 qualified basis for our audit opinion.

Basis for Qualified Opinion

In common with many such organizations, the Board derives revenue from fines, donations, fundraising and sundry, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Whitewater Region Public Library Board and we were not able to determine whether any adjustments might be necessary to fines, donations, fundraising and sundry, assets and accumulated surplus.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Whitewater Region Public Library Board as at 31 December 2010, and the results of its operations for the year then ended in accordance with Canadian Public Sector Accounting Standards for local governments.



RENFREW, Ontario,
6 April 2011.

Chartered Accountants,
Licensed Public Accountants.

Whitewater Region Public Library BoardStatement of Financial Position

As at 31 December 2010
(with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash on hand and in bank	\$ 15,092	\$ 10,865
Term deposits	11,758	32,597
Due from Ontario	1,182	1,130
Due from Canada	<u>2,730</u>	<u>1,882</u>
	<u>\$ 30,762</u>	<u>\$ 46,474</u>
<u>LIABILITIES AND ACCUMULATED SURPLUS</u>		
Liabilities:		
Accounts payable	\$ 2,227	\$ 50
Accumulated surplus	<u>28,535</u>	<u>46,424</u>
	<u>\$ 30,762</u>	<u>\$ 46,474</u>

(See accompanying notes)

Whitewater Region Public Library Board

Statement of Financial Activities

For the year ended 31 December 2010
(with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
Accumulated surplus at the beginning of the year	\$ <u>46,424</u>	\$ <u>62,610</u>
Revenue:		
Grants from the Province of Ontario - operating	\$ 13,517	\$ 13,517
- pay equity	2,278	2,278
- sustainability	10,989	10,989
Municipal grant	33,406	33,629
Ontario Library Association	5,798	10,293
SOLS grant	12,213	2,796
Fines and sale of books	1,419	1,203
Investment income	219	800
Donations and fundraising	<u>9,512</u>	<u>13,339</u>
	\$ <u>89,351</u>	\$ <u>88,844</u>
Expenditure:		
Bank charges	\$ 255	\$ 193
Books and videos	27,947	28,040
Insurance	967	1,270
Postage, telephone and internet	5,886	5,243
Rent	2,400	2,600
Salaries	48,046	46,916
Supplies	19,263	18,070
Utilities	<u>2,476</u>	<u>2,698</u>
	\$ <u>107,240</u>	\$ <u>105,030</u>
Net deficit for the year	\$ <u>(17,889)</u>	\$ <u>(16,186)</u>
Accumulated surplus at the end of the year	\$ <u>28,535</u>	\$ <u>46,424</u>

(See accompanying notes)

Whitewater Region Public Library Board

Notes to the Financial Statements

For the year ended 31 December 2010

1. ACCOUNTING POLICIES

The financial statements of the Whitewater Region Public Library Board are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

Basis of Accounting

(1) Sources of financing and expenditures are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

252 Raglan Street S.
Renfrew, OntarioINDEPENDENT AUDITORS' REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Township of Whitewater Region.

We have audited the accompanying financial statements of the Whitewater Historical Society, which comprise the statement of financial position as at 31 December 2010, and the statement of financial activities 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 local governments, 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 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 qualified basis for our audit opinion.

Basis for Qualified Opinion

In common with many such organizations, the Society derives revenue from fundraising activities, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Whitewater Historical Society and we were not able to determine whether any adjustments might be necessary to fundraising activities, assets and accumulated surplus.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Whitewater Historical Society as at 31 December 2010, and the results of its operations for the year then ended in accordance with Canadian Public Sector Accounting Standards for local governments.



RENFREW, Ontario.

Chartered Accountants,

6 April 2011.

Licensed Public Accountants.

Whitewater Historical Society
Statement of Financial Position

As at 31 December 2010
(with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash on hand and in bank	\$ <u>17,026</u>	\$ <u>15,420</u>
<u>LIABILITIES AND ACCUMULATED SURPLUS</u>		
Current liabilities:		
Deferred revenue - other	\$ 105	
Accumulated surplus	<u>16,921</u>	<u>15,420</u>
	\$ <u>17,026</u>	\$ <u>15,420</u>

(See accompanying notes)

Whitewater Historical Society
Statement of Financial Activities
For the year ended 31 December 2010
 (with 2009 figures for comparison)

	<u>2010</u>	<u>2009</u>
Accumulated surplus at the beginning of the year	\$ <u>15,420</u>	\$ <u>17,419</u>
Revenue:		
Government of Canada	\$ 3,992	\$ 6,365
Ontario Ministry of Culture grant	1,002	
Trillium grant	6,121	7,300
Municipal grant	5,790	6,032
Fundraising and donations	<u>14</u>	4,477
Interest income	\$ <u>16,919</u>	\$ <u>24,202</u>
Expenditure:		
Building maintenance	\$ 1,522	\$ 610
Fundraising	1,568	1,148
Office, advertising and supplies	6,308	5,801
Salaries	3,794	7,575
Trillium grant expenses	<u>2,226</u>	<u>7,300</u>
Utilities	\$ <u>15,418</u>	\$ <u>26,201</u>
Surplus (deficit) for the year	\$ <u>1,501</u>	\$ <u>(1,999)</u>
Accumulated surplus at the end of the year	\$ <u><u>16,921</u></u>	\$ <u><u>15,420</u></u>

(See accompanying notes)

Whitewater Historical Society

Notes to the Financial Statements

For the year ended 31 December 2010

1. ACCOUNTING POLICIES

The financial statements of the Whitewater Historical Society are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

Basis of Accounting

- (1) Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

252 Raglan Street S.
Renfrew, OntarioINDEPENDENT AUDITORS' REPORT

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Township of Whitewater Region.

We have audited the accompanying financial statements of the Whitewater Region Medical Centre, which comprise the statement of financial position as at 31 December 2010, and the statement of financial activities 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 for local governments, 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 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 consolidated financial statements present fairly, in all material respects, the financial position of the Whitewater Region Medical Centre as at 31 December 2010, and the results of its operations for the year then ended in accordance with Canadian Public Sector Accounting Standards for local governments.



RENFREW, Ontario.
6 April 2011.

Chartered Accountants,
Licensed Public Accountants.

Whitewater Region Medical CentreStatement of Financial PositionAs at 31 December 2010ASSETSCash in bank
Investment\$ 54,390
19,230\$ 73,620ACCUMULATED SURPLUS

Accumulated surplus

\$ 73,620

(See accompanying notes)

Whitewater Region Medical Centre
Statement of Financial Activities
For the year ended 31 December 2010

Revenue:	
Rental income	\$ 26,400
Investment income	<u>183</u>
	\$ <u>26,583</u>
Expenditure:	
Bank service charges	\$ 125
Repairs and maintenance	3,301
Utilities	<u>10,061</u>
	\$ <u>13,487</u>
Surplus for the year	\$ 13,096
Accumulated surplus at the beginning of the year	<u>60,524</u>
Accumulated surplus at the end of the year	<u><u>\$ 73,620</u></u>

(See accompanying notes)

Whitewater Region Medical Centre

Notes to the Financial Statements

For the year ended 31 December 2010

1. ACCOUNTING POLICIES

The financial statements of the Whitewater Region Medical Centre are the representation of management prepared in accordance with generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

Basis of Accounting

- (1) Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.