

Township of Whitewater Region

Financial Report

For the year ended 31 December 2005

AUDITORS' REPORT

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

We have audited the consolidated balance sheet of the Corporation of the Township of Whitewater Region as at 31 December 2005, and the consolidated statements of operations and cash flows and the schedules of current fund operations, reserves and reserve funds and capital fund operations for the year then ended. These financial statements are the responsibility of the Township's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation of the Township of Whitewater Region as at 31 December 2005, and the results of its operations and cash flows for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements.

RENFREW, Ontario.

2 February 2006.

Chartered Accountants.

Township of Whitewater Region

Consolidated Balance Sheet

As at 31 December 2005
(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
<u>ASSETS</u>		
Cash	\$ 493,158	\$ 506,059
Taxes receivable	638,116	587,687
Accounts receivable	236,801	208,405
Investment in Ottawa River Power Corporation	<u>294,735</u>	<u>294,735</u>
	<u>\$ 1,662,810</u>	<u>\$ 1,596,886</u>
<u>LIABILITIES AND MUNICIPAL POSITION</u>		
Liabilities:		
Accounts payable and accrued liabilities	\$ 190,618	\$ 259,061
Deferred revenue (Note 4)	57,603	56,507
Net long term liabilities (Note 5)	28,000	54,000
Employee future benefits	48,409	51,944
Landfill closure and post closure costs (Note 6)	<u>768,545</u>	<u>768,545</u>
	<u>\$ 1,093,175</u>	<u>\$ 1,190,057</u>
Municipal position:		
Fund balances:		
Current fund (Note 7)	\$ (23,247)	\$ 2,100
Cobden and District Recreation Association	15,600	19,491
Whitewater Region Public Library Board	26,702	21,791
Waterworks - Cobden	20,306	11,454
Waterworks - Beachburg	5,840	9,918
Waterworks - Haley	2,197	5,264
Whitewater Historical Society	12,445	14,132
Capital fund	(250,641)	(91,906)
Reserves and reserve funds	<u>1,605,387</u>	<u>1,289,074</u>
Total fund balances	<u>\$ 1,414,589</u>	<u>\$ 1,281,318</u>
Amounts to be recovered:		
Long term liabilities	\$ (28,000)	\$ (54,000)
Employee future benefits	(48,409)	(51,944)
Landfill closure and post closure costs	<u>(768,545)</u>	<u>(768,545)</u>
Total amounts to be recovered	<u>\$ (844,954)</u>	<u>\$ (874,489)</u>
Municipal position	<u>\$ 569,635</u>	<u>\$ 406,829</u>
	<u>\$ 1,662,810</u>	<u>\$ 1,596,886</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region

Consolidated Statement of Operations

For the year ended 31 December 2005

(with 2005 budget and 2004 actual figures for comparison)

	Budget 2005	Actual 2005	Actual 2004
Revenue:			
Net municipal taxation and user fees	\$ 2,490,590	\$ 2,494,938	\$ 2,403,083
Transfer payments:			
Ontario	1,631,547	1,605,187	1,391,596
Canada	24,900	85,280	6,720
Other municipalities	11,000	8,500	11,270
Other	<u>711,243</u>	<u>772,502</u>	<u>778,550</u>
	<u>\$ 4,869,280</u>	<u>\$ 4,966,407</u>	<u>\$ 4,591,219</u>
Expenditure:			
Current:			
General government	\$ 661,600	\$ 652,658	\$ 640,169
Protection to persons and property	1,006,673	996,786	974,521
Transportation services	1,376,610	1,417,371	1,253,401
Environmental services	989,555	916,692	864,191
Health, social and family services	1,500	885	13,564
Recreation and cultural services	343,591	333,529	305,639
Planning and development	<u>12,000</u>	<u>11,677</u>	<u>13,381</u>
	<u>\$ 4,391,529</u>	<u>\$ 4,329,598</u>	<u>\$ 4,064,866</u>
Capital:			
General government	\$ 31,500	\$ 29,860	\$ 17,507
Protection to persons and property	59,352	95,054	204,479
Transportation services	220,000	120,989	73,841
Environmental services	200,100	197,552	75,009
Recreation and cultural services	16,600	30,996	91,834
Planning and development	<u>10,000</u>	<u>3,087</u>	<u>4,540</u>
	<u>\$ 537,552</u>	<u>\$ 477,538</u>	<u>\$ 467,210</u>
Total expenditure	<u>\$ 4,929,081</u>	<u>\$ 4,807,136</u>	<u>\$ 4,532,076</u>
Net surplus (deficit) for the year	\$ (59,801)	\$ 159,271	\$ 59,143
Less: debt principal payments	<u>(26,000)</u>	<u>(26,000)</u>	<u>(24,000)</u>
Change in fund balances during the year	<u>\$ (85,801)</u>	<u>\$ 133,271</u>	<u>\$ 35,143</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region

Schedule of Current Fund Operations

For the year ended 31 December 2005

(with 2005 budget and 2004 actual figures for comparison)

	Budget 2005	Actual 2005	Actual 2004
Revenue:			
Net municipal taxation	\$ 1,911,290	\$ 1,926,988	\$ 1,834,414
User charges	192,000	193,234	191,260
Transfer payments:			
Ontario	1,603,447	1,543,845	1,331,084
Canada	2,500	65,832	2,475
Other municipalities	10,000	7,500	10,270
Other	<u>539,362</u>	<u>585,141</u>	<u>586,987</u>
	<u>\$ 4,258,599</u>	<u>\$ 4,322,540</u>	<u>\$ 3,956,490</u>
Expenditure:			
General government	\$ 661,600	\$ 652,658	\$ 640,169
Protection to persons and property	1,006,673	996,786	974,521
Transportation services	1,376,610	1,417,371	1,253,401
Environmental services	634,443	597,088	536,259
Health services	1,500	885	13,564
Recreation and cultural services	101,250	116,100	99,835
Planning and development	<u>12,000</u>	<u>11,677</u>	<u>13,381</u>
	<u>\$ 3,794,076</u>	<u>\$ 3,792,565</u>	<u>\$ 3,531,130</u>
Net surplus for the year	<u>\$ 464,523</u>	<u>\$ 529,975</u>	<u>\$ 425,360</u>
Financing and transfers:			
Debt principal payments	\$ (19,097)	\$ (19,097)	\$ (17,628)
Transfer to Cobden and District Recreation	(10,000)	(10,000)	(10,000)
Transfer to Whitewater Region Public Library	(33,000)	(32,989)	(33,061)
Transfer to Whitewater Historical Society	(4,500)	(4,282)	(3,821)
Transfer to reserves	(82,905)	(261,941)	(117,778)
Transfer to waterworks - Haley	(14,021)	(14,021)	(15,395)
Transfer to capital	<u>(303,100)</u>	<u>(212,992)</u>	<u>(247,924)</u>
Net financing and transfers	<u>\$ (466,623)</u>	<u>\$ (555,322)</u>	<u>\$ (445,607)</u>
Change in current fund balance during the year	\$ (2,100)	\$ (25,347)	\$ (20,247)
Current fund balance at the beginning of the year	<u>2,100</u>	<u>2,100</u>	<u>22,347</u>
Current fund balance at the end of the year	<u>\$ -</u>	<u>\$ (23,247)</u>	<u>\$ 2,100</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region

Schedule of Reserves and Reserve Funds

For the year ended 31 December 2005
(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
Revenue:		
Investment income	\$ <u>1,130</u>	\$ <u>1,131</u>
Financing and transfers:		
Transfer from current fund	\$ 261,941	\$ 117,778
Transfer to capital fund	(21,100)	(79,540)
Transfer from Cobden and District Recreation Association	16,500	
Transfer from waterworks - Beachburg	21,504	4,164
Transfer from waterworks - Cobden	34,338	4,956
Transfer from waterworks - Haley	2,000	
Transfer to Whitewater Region Public Library Board	<u> </u>	<u>(767)</u>
	<u>\$ 315,183</u>	<u>\$ 46,591</u>
Change in the reserves and reserve fund balances during the year	\$ 316,313	\$ 47,722
Reserves and reserve funds at the beginning of the year	<u>1,289,074</u>	<u>1,241,352</u>
Reserves and reserve funds at the end of the year	<u>\$ 1,605,387</u>	<u>\$ 1,289,074</u>
Analyzed as follows:		
Reserves set aside for specific purposes:		
Working funds	\$ 734,316	\$ 753,316
General government	40,000	20,000
Emergency plan		6,600
Retirement of waterworks debentures	7,433	7,433
Working funds waterworks	83,979	26,137
Working funds for Beachburg	51,297	41,697
Roads	266,574	133,007
Sick leave	44,821	44,821
Replacement of fire equipment	95,000	14,500
Parks and recreation	22,867	6,367
Landfill expenditures	150,867	150,867
Planning and property	17,000	10,000
Sewer upgrading	<u>70,662</u>	<u>53,757</u>
Total reserves	\$ 1,584,816	\$ 1,268,502
Discretionary reserve fund set aside for specific purposes:		
Retirement of sewer debentures	<u>20,571</u>	<u>20,572</u>
Total reserves and reserve funds	<u>\$ 1,605,387</u>	<u>\$ 1,289,074</u>

(See accompanying notes)

Township of Whitewater Region

Schedule of Capital Fund Operations

For the year ended 31 December 2005

(with 2005 budget and 2004 actual figures for comparison)

	<u>Budget</u> 2005	<u>Actual</u> 2005	<u>Actual</u> 2004
Revenue:			
Grant - Ontario		\$ 36,701	\$ 18,000
Grant - Canada	\$ 19,300	<u>16,358</u>	<u>1,800</u>
	<u>\$ 19,300</u>	<u>\$ 53,059</u>	<u>\$ 19,800</u>
Expenditure:			
General government	\$ 31,500	\$ 29,860	\$ 17,507
Protection to persons and property	59,352	95,054	204,479
Transportation services	220,000	120,989	73,841
Environmental services	200,100	197,552	75,009
Recreation and cultural services	16,600	30,996	91,834
Planning and development	<u>10,000</u>	<u>3,087</u>	<u>4,540</u>
Total expenditure	<u>\$ 537,552</u>	<u>\$ 477,538</u>	<u>\$ 467,210</u>
Net deficit for the year	<u>\$ (518,252)</u>	<u>\$ (424,479)</u>	<u>\$ (447,410)</u>
Financing and transfers:			
Transfer from current fund	\$ 303,100	\$ 212,992	\$ 247,924
Transfer from waterworks - Cobden	12,100	546	2,419
Transfer from waterworks - Beachburg	4,000	4,183	8,386
Transfer from waterworks - Haley	1,000	2,790	1,865
Transfer from Whitewater Region Public Library	3,600	3,608	16,921
Transfer from Cobden and District Recreation	3,000	20,525	38,030
Transfer from reserves	<u>38,100</u>	<u>21,100</u>	<u>79,540</u>
Total financing and transfers	<u>\$ 364,900</u>	<u>\$ 265,744</u>	<u>\$ 395,085</u>
Change in the capital fund balance during the year	\$ (153,352)	\$ (158,735)	\$ (52,325)
Capital fund balance at the beginning of the year	<u>(91,906)</u>	<u>(91,906)</u>	<u>(39,581)</u>
Capital fund balance at the end of the year	<u>\$ (245,258)</u>	<u>\$ (250,641)</u>	<u>\$ (91,906)</u>

(See accompanying notes)

Township of Whitewater Region

Consolidated Statement of Cash Flows

For the year ended 31 December 2005
(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
Cash flows from operating activities:		
Net surplus for the year	\$ <u>159,271</u>	\$ <u>59,143</u>
Net change in non cash working capital balances related to operations:		
- decrease (increase) in taxes receivable	\$ (50,429)	\$ 18,352
- decrease (increase) in accounts receivable	(28,396)	288,593
- increase (decrease) in accounts payable and accrued liabilities	(68,443)	27,019
- increase (decrease) in deferred revenue	<u>1,096</u>	<u>1,136</u>
	\$ <u>(146,172)</u>	\$ <u>335,100</u>
Cash flows from operating activities	\$ <u>13,099</u>	\$ <u>394,243</u>
Cash flows from financing activities:		
Long term debt repaid	\$ <u>(26,000)</u>	\$ <u>(24,000)</u>
Net increase (decrease) in cash and cash equivalents during the year	\$ (12,901)	\$ 370,243
Cash and cash equivalents at the beginning of the year	<u>506,059</u>	<u>135,816</u>
Cash and cash equivalents at the end of the year	<u>\$ 493,158</u>	<u>\$ 506,059</u>
Comprised of:		
Cash	<u>\$ 493,158</u>	<u>\$ 506,059</u>

(See accompanying notes)

1. ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the Township of Whitewater Region are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing. 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 judgments.

(a) (i) Basis of Consolidation

These consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund, capital fund, reserve funds and reserves and include the activities of all committees of Council and the following boards which are under the control of Council:

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

All interfund assets and liabilities and sources of financing and expenditures have been eliminated.

(ii) Accounting for County and School Board Transactions

The taxation, other revenues and requisitions with respect to the operations of the school boards and the County of Renfrew are not reflected in the municipal fund balances of these financial statements.

(iii) Trust fund and its related operations administered by the Municipality are not consolidated, but are reported separately on the "Trust Fund Statement of Continuity and Balance Sheet".

(b) Basis of Accounting

(i) Sources of financing and expenditures are reported on the accrual basis of accounting with the exception of interest charges on long term liabilities which are charged against operations in the periods in which they are paid. The interest charges are not accrued for the periods from the dates of the latest installment payments to the end of the financial year.

(ii) 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.

(iii) Capital Assets

The historical cost and accumulated amortization of capital assets are not recorded for municipal purposes. Capital assets are reported as an expenditure on the "Consolidated Statement of Operations" in the year of acquisition.

Township of Whitewater Region

Notes to the Financial Statements

For the year ended 31 December 2005

2. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF RENFREW

Further to Note 1 (a) (ii), the taxation, other revenues and requisitions for the school boards and the County of Renfrew are comprised of the following:

	<u>School Boards</u>	<u>County</u>
Taxation and user charges	\$ 1,822,876	\$ 1,970,420
Share of payments in lieu of taxes	<u>23</u>	<u>29,103</u>
Total requisitions	\$ <u>1,822,899</u>	\$ <u>1,999,523</u>

3. TRUST FUND

Trust fund administered by the Municipality amounting to \$ 10,745 (2004 - \$ 25,472) has not been included in the "Consolidated Balance Sheet" nor have its operations been included in the "Consolidated Statement of Operations".

4. DEFERRED REVENUE

The balance of deferred revenue on the "Consolidated Balance Sheet" at the end of the year is comprised of the following externally restricted reserve funds:

	<u>2005</u>	<u>2004</u>
Parkland Reserve Fund	\$ 21,353	\$ 20,748
Water and Sewer Reserve Fund	<u>36,250</u>	<u>35,759</u>
	\$ <u>57,603</u>	\$ <u>56,507</u>

5. NET LONG TERM LIABILITIES

(a) The balance of net long term liabilities of \$ 28,000 (2004 - \$ 54,000) reported on the Consolidated Balance Sheet is made up of non-callable installment debentures, maturing 2006 with interest payable at rates of 7.75% to 8.25%.

(b) Approval of the Ontario Municipal Board has been obtained for the long term liabilities in (a) of this Note issued in the name of the Municipality.

Township of Whitewater Region

Notes to the Financial Statements

For the year ended 31 December 2005

(c) Total charges for the year for net long term liabilities which are reported on the "Consolidated Statement of Operations" are made up of:

	<u>2005</u>	<u>2004</u>
Principal	\$ 26,000	\$ 24,000
Interest	<u>4,422</u>	<u>6,373</u>
	<u>\$ 30,422</u>	<u>\$ 30,373</u>

(d) The net long term liabilities reported in (a) of this Note are repayable in 2006.

6. LANDFILL CLOSURE AND POST CLOSURE COSTS

The landfill closure and post closure costs are the Township's estimate of the future costs of closing and monitoring the Township's landfill sites.

7. CURRENT FUND BALANCE AT THE END OF THE YEAR

The current fund balance on the "Consolidated Balance Sheet" at the end of the year is comprised of the following:

	<u>2005</u>	<u>2004</u>
- for general reduction (increase) of taxation	\$ (39,412)	\$ (18,650)
- for reduction of charges to benefitting landowners related to special areas as follows:		
- street lights	15,076	12,243
- sewage	<u>1,089</u>	<u>8,507</u>
	<u>\$ (23,247)</u>	<u>\$ 2,100</u>

8. CONTINGENT LIABILITIES

The Municipality is contingently liable for long term liabilities with respect to tile drainage loans. The total amount outstanding as at 31 December 2005 is \$ 178,031 (2004 - \$ 182,168) and is not recorded on the "Consolidated Balance Sheet".

252 Raglan Street S.
Renfrew, Ontario

AUDITORS' REPORT

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

We have audited the balance sheet of the trust fund of the Corporation of the Township of Whitewater Region as at 31 December 2005, and the statement of continuity of the trust fund for the year then ended. These financial statements are the responsibility of the Township's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these 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 2005, and the continuity of trust fund for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements.

RENFREW, Ontario.

2 February 2006.

Chartered Accountants.

Township of Whitewater Region

Page 12

Trust Fund

Statement of Continuity

For the year ended 31 December 2005
(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
Balance at the beginning of the year	\$ <u>25,472</u>	\$ <u>27,562</u>
Revenue:		
Interest earned - at bank	\$ 33	\$ 54
- on loans	<u> </u>	<u>7,697</u>
	\$ <u>33</u>	\$ <u>7,751</u>
Expenditure:		
Administration charges	\$ 33	\$ 829
Repayment to the Province of Ontario	14,727	3,232
Restructuring costs	<u> </u>	<u>5,780</u>
	\$ <u>14,760</u>	\$ <u>9,841</u>
Balance at the end of the year	\$ <u><u>10,745</u></u>	\$ <u><u>25,472</u></u>

Township of Whitewater Region

Trust Fund

Balance Sheet

As at 31 December 2005
(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
<u>ASSETS</u>		
Cash in bank	\$ 33	\$ 15,556
Loans receivable (Notes 2 and 3)	<u>10,745</u>	<u>10,745</u>
	\$ <u><u>10,778</u></u>	\$ <u><u>26,301</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Due to Township of Whitewater Region	\$ 33	\$ 829
Fund balance	<u>10,745</u>	<u>25,472</u>
	\$ <u><u>10,778</u></u>	\$ <u><u>26,301</u></u>

(See accompanying notes)

Township of Whitewater Region

Trust Fund

Notes to the Financial Statements

For the year ended 31 December 2005

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 2005 comprise repayable loans of \$ 7,345 (2004 - \$ 7,345) and forgivable loans of \$ 3,400 (2004 - \$ 3,400). Loan forgiveness is earned and recorded at a rate of up to \$ 600 per year of continued ownership and occupancy. 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 and the unearned forgivable loan immediately become 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 2005, no amount is due to the Province.

3. LOANS RECEIVABLE

The majority of the loans receivable are not being repaid on a current basis.

252 Raglan Street S.
Renfrew, Ontario

AUDITORS' REPORT

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

We have audited the balance sheet of the Township of Whitewater Region Waterworks as at 31 December 2005, and the statements of revenue and expenditure for Cobden, Beachburg and Haley for the year then ended. These financial statements are the responsibility of the Waterworks' management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Township of Whitewater Region Waterworks as at 31 December 2005, and the results of its operations for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements.

RENFREW, Ontario.

2 February 2006.

Chartered Accountants.

Township of Whitewater Region WaterworksBalance Sheet

As at 31 December 2005
(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
<u>ASSETS</u>		
Cash in bank		\$ 50,194
Due from Canada	\$ 6,689	5,240
Due from Province	393	393
Due from capital fund	250,641	85,258
Prepaid expenses	<u>118</u>	<u>235</u>
	<u>\$ 257,841</u>	<u>\$ 141,320</u>
<u>LIABILITIES AND WATERWORKS POSITION</u>		
Bank overdraft	\$ 30,318	
Accounts payable	6,087	\$ 3,994
Due to current fund	101,681	77,120
Net long term liabilities	<u>7,434</u>	<u>14,337</u>
	<u>\$ 145,520</u>	<u>\$ 95,451</u>
Waterworks position:		
Fund balances:		
Cobden	\$ 20,306	\$ 11,454
Beachburg	5,840	9,918
Haley	2,197	5,264
Reserves	<u>91,412</u>	<u>33,570</u>
Total fund balances	\$ 119,755	\$ 60,206
Amounts to be recovered	<u>(7,434)</u>	<u>(14,337)</u>
Waterworks position	<u>\$ 112,321</u>	<u>\$ 45,869</u>
	<u>\$ 257,841</u>	<u>\$ 141,320</u>

(See accompanying notes)

Township of Whitewater Region Waterworks - Cobden

Statement of Revenue and Expenditure

For the year ended 31 December 2005
(with 2005 budget and 2004 actual figures for comparison)

	<u>Budget</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Actual</u> <u>2004</u>
Revenue:			
Water service charges	\$ 214,000	\$ 201,727	\$ 210,298
Other	1,500	3,531	1,303
Interest income	<u>1,500</u>	<u>1,307</u>	<u>1,049</u>
	<u>\$ 217,000</u>	<u>\$ 206,565</u>	<u>\$ 212,650</u>
Expenditure:			
Administration	\$ 28,189	\$ 17,877	\$ 17,435
Distribution:			
Salaries	19,450	10,437	18,860
Facility supplies, utilities and maintenance	22,200	19,069	26,787
Interest on long term debt	1,174	1,174	1,692
Transmission:			
Salaries	66,000	66,391	62,297
Facility supplies, utilities and maintenance	<u>46,100</u>	<u>40,978</u>	<u>44,597</u>
	<u>\$ 183,113</u>	<u>\$ 155,926</u>	<u>\$ 171,668</u>
Net surplus for the year	<u>\$ 33,887</u>	<u>\$ 50,639</u>	<u>\$ 40,982</u>
Financing and transfers:			
Debt principal repayments	\$ (6,903)	\$ (6,903)	\$ (6,372)
Transfer to capital fund	(12,100)	(546)	(2,419)
Transfer to reserves	<u>(26,338)</u>	<u>(34,338)</u>	<u>(4,956)</u>
Net financing and transfers	<u>\$ (45,341)</u>	<u>\$ (41,787)</u>	<u>\$ (13,747)</u>
Change in waterworks fund balance during the year	\$ (11,454)	\$ 8,852	\$ 27,235
Waterworks fund balance at the beginning of the year	<u>11,454</u>	<u>11,454</u>	<u>(15,781)</u>
Waterworks fund balance at the end of the year	<u>\$ -</u>	<u>\$ 20,306</u>	<u>\$ 11,454</u>

(See accompanying notes)

Township of Whitewater Region Waterworks - Beachburg

Statement of Revenue and Expenditure

For the year ended 31 December 2005
(with 2005 budget and 2004 actual figures for comparison)

	<u>Budget</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Actual</u> <u>2004</u>
Revenue:			
Water service charges	\$ 157,300	\$ 156,669	\$ 152,320
Other			80
	<u>\$ 157,300</u>	<u>\$ 156,669</u>	<u>\$ 152,400</u>
Expenditure:			
Administration	\$ 22,889	\$ 22,771	\$ 22,586
Distribution:			
Salaries	5,016	5,490	4,441
Facility supplies, utilities and maintenance	6,300	7,804	5,276
Transmission:			
Salaries	64,000	65,015	60,002
Facility supplies, utilities and maintenance	<u>41,509</u>	<u>33,980</u>	<u>34,419</u>
	<u>\$ 139,714</u>	<u>\$ 135,060</u>	<u>\$ 126,724</u>
Net surplus for the year	<u>\$ 17,586</u>	<u>\$ 21,609</u>	<u>\$ 25,676</u>
Financing and transfers:			
Transfer to capital fund	\$ (4,000)	\$ (4,183)	\$ (8,386)
Transfer to reserves	<u>(23,504)</u>	<u>(21,504)</u>	<u>(4,164)</u>
Net financing and transfers	<u>\$ (27,504)</u>	<u>\$ (25,687)</u>	<u>\$ (12,550)</u>
Change in waterworks fund balance during the year	\$ (9,918)	\$ (4,078)	\$ 13,126
Waterworks fund balance at the beginning of the year	<u>9,918</u>	<u>9,918</u>	<u>(3,208)</u>
Waterworks fund balance at the end of the year	<u>\$ -</u>	<u>\$ 5,840</u>	<u>\$ 9,918</u>

(See accompanying notes)

Township of Whitewater Region Waterworks - Haley

Statement of Revenue and Expenditure

For the year ended 31 December 2005

(with 2005 budget and 2004 actual figures for comparison)

	<u>Budget 2005</u>	<u>Actual 2005</u>	<u>Actual 2004</u>
Revenue:			
Water service charges	\$ <u>16,000</u>	\$ <u>16,320</u>	\$ <u>14,791</u>
Expenditure:			
Administration	\$ 1,673	\$ 1,455	\$ 1,374
Distribution:			
Salaries	912	303	874
Facility supplies, utilities and maintenance	2,200	2,089	850
Transmission:			
Salaries	16,600	15,737	15,631
Facility supplies, utilities and maintenance	<u>10,900</u>	<u>9,034</u>	<u>10,811</u>
	<u>\$ 32,285</u>	<u>\$ 28,618</u>	<u>\$ 29,540</u>
Net deficit for the year	<u>\$ (16,285)</u>	<u>\$ (12,298)</u>	<u>\$ (14,749)</u>
Financing and transfers:			
Transfer to capital fund	\$ (1,000)	\$ (2,790)	\$ (1,865)
Transfer to reserves	(2,000)	(2,000)	
Transfer from current fund	<u>14,021</u>	<u>14,021</u>	<u>15,395</u>
Net financing and transfers	<u>\$ 11,021</u>	<u>\$ 9,231</u>	<u>\$ 13,530</u>
Change in waterworks fund balance during the year	\$ (5,264)	\$ (3,067)	\$ (1,219)
Waterworks fund balance at the beginning of the year	<u>5,264</u>	<u>5,264</u>	<u>6,483</u>
Waterworks fund balance at the end of the year	<u>\$ -</u>	<u>\$ 2,197</u>	<u>\$ 5,264</u>

(See accompanying notes)

Township of Whitewater Region Waterworks

Notes to the Financial Statements

For the year ended 31 December 2005

1. ACCOUNTING POLICIES

The financial statements of the Township of Whitewater Region Waterworks are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing. 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 judgments.

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) The historical cost and accumulated amortization of capital assets are not reported for municipal purposes.

2. NET LONG TERM LIABILITIES

- (a) Net long term liabilities are comprised of debentures bearing interest rates ranging from 7.75% to 8.5% repayable as follows:

2006	\$ <u>7,434</u>
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- (b) Approval of the Ontario Municipal Board has been obtained for the long term liabilities in (a) of this Note issued in the name of the Municipality.

252 Raglan Street S.
Renfrew, Ontario

AUDITORS' REPORT

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

We have audited the balance sheet of the Cobden and District Recreation Association as at 31 December 2005, and the statement of revenue and expenditure for the year then ended. These financial statements are the responsibility of the Recreation Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many such organizations, the Association derives revenue from fund raising 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 Cobden and District Recreation Association and we were not able to determine whether any adjustments might be necessary to fund raising activities, assets and accumulated net revenue.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the fund raising activities referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Cobden and District Recreation Association as at 31 December 2005, and the results of its operations for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements.

RENFREW, Ontario.

2 February 2006.

Chartered Accountants.

Cobden and District Recreation AssociationBalance Sheet

As at 31 December 2005
(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
<u>ASSETS</u>		
Cash on hand and in bank	\$ 40,636	\$ 26,439
Accounts receivable	<u>13,881</u>	<u>8,667</u>
	<u>\$ 54,517</u>	<u>\$ 35,106</u>
<u>LIABILITY AND RECREATION POSITION</u>		
Due to Municipality	<u>\$ 16,108</u>	<u>\$ 9,306</u>
Recreation position:		
Recreation fund	\$ 15,600	\$ 19,491
Reserves	<u>22,809</u>	<u>6,309</u>
Recreation position	<u>\$ 38,409</u>	<u>\$ 25,800</u>
	<u>\$ 54,517</u>	<u>\$ 35,106</u>

(See accompanying notes)

Cobden and District Recreation Association

Statement of Revenue and Expenditure

For the year ended 31 December 2005
(with 2005 budget and 2004 actual figures for comparison)

	<u>Budget</u> <u>2005</u>	<u>Actual</u> <u>2005</u>	<u>Actual</u> <u>2004</u>
Accumulated net revenue at the beginning of the year	\$ 19,491	\$ 19,491	\$ 2,894
Revenue:			
Other municipalities	\$ 1,000	\$ 1,000	\$ 1,000
Algonquin College	3,000		2,278
Facility rentals	129,250	124,650	115,979
Fund raising	<u>16,000</u>	<u>34,730</u>	<u>56,758</u>
	<u>\$ 149,250</u>	<u>\$ 160,380</u>	<u>\$ 176,015</u>
Expenditure:			
Administration	\$ 7,900	\$ 4,272	\$ 4,334
Maintenance of property and equipment	29,200	17,972	17,946
Salaries	67,641	66,848	63,288
Utilities	<u>54,500</u>	<u>48,154</u>	<u>45,820</u>
	<u>\$ 159,241</u>	<u>\$ 137,246</u>	<u>\$ 131,388</u>
Net surplus (deficit) for the year	<u>\$ (9,991)</u>	<u>\$ 23,134</u>	<u>\$ 44,627</u>
Financing and transfers:			
Transfer from current fund	\$ 10,000	\$ 10,000	\$ 10,000
Transfer to reserves	(16,500)	(16,500)	
Transfer to capital fund	<u>(3,000)</u>	<u>(20,525)</u>	<u>(38,030)</u>
Net financing and transfers	<u>\$ (9,500)</u>	<u>\$ (27,025)</u>	<u>\$ (28,030)</u>
Change in recreation fund balance during the year	<u>\$ (19,491)</u>	<u>\$ (3,891)</u>	<u>\$ 16,597</u>
Accumulated net revenue at the end of the year	<u>\$ -</u>	<u>\$ 15,600</u>	<u>\$ 19,491</u>

(See accompanying notes)

Cobden and District Recreation Association

Notes to the Financial Statements

For the year ended 31 December 2005

1. ACCOUNTING POLICIES

The financial statements of the Cobden and District Recreation Association are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing. 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 judgments.

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) The historical cost and accumulated amortization of capital assets are not reported for municipal purposes.

252 Raglan Street S.
Renfrew, Ontario

AUDITORS' REPORT

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

We have audited the balance sheet of the Whitewater Region Public Library Board as at 31 December 2005, and the statement of revenue and expenditure for the year then ended. These financial statements are the responsibility of the Library Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many such organizations, the Board derives revenue from fund raising 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 Region Public Library Board and we were not able to determine whether any adjustments might be necessary to fund raising activities, assets and accumulated net revenue.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the fund raising activities referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Whitewater Region Public Library Board as at 31 December 2005, and the results of its operations for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements.

RENFREW, Ontario.

2 February 2006.

Chartered Accountants.

Whitewater Region Public Library BoardBalance Sheet

As at 31 December 2005
(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
<u>ASSETS</u>		
Cash on hand and in bank	\$ 7,813	\$ 13,037
Term deposits	15,103	5,000
Due from Ontario	1,568	489
Due from Canada	1,526	2,583
Due from Whitewater Historical Society	<u>692</u>	<u>682</u>
	<u>\$ 26,702</u>	<u>\$ 21,791</u>
 <u>LIBRARY POSITION</u> 		
Library fund	<u>\$ 26,702</u>	<u>\$ 21,791</u>

(See accompanying notes)

Whitewater Region Public Library BoardStatement of Revenue and ExpenditureFor the year ended 31 December 2005

(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
Accumulated net revenue at the beginning of the year	\$ <u>21,791</u>	\$ <u>20,154</u>
Revenue:		
Grants from the Province of Ontario - operating	\$ 13,517	\$ 13,517
- pay equity	2,278	2,278
- Ontario Trillium Foundation	9,000	9,000
- Sustainability	7,776	12,000
Ontario Library Association	3,376	1,236
Fines and sale of books	823	2,214
Investment income	197	78
Donations and fundraising	<u>8,493</u>	<u>6,148</u>
	\$ <u>36,460</u>	\$ <u>46,471</u>
Expenditure:		
Bank charges	\$ 240	\$ 241
Books and videos	8,302	13,486
Fund raising	1,624	
Insurance	846	806
Postage, telephone and internet	5,259	5,199
Rent	2,400	2,400
Salaries	37,045	35,117
Supplies	3,602	3,096
Utilities	<u>1,612</u>	<u>1,396</u>
	\$ <u>60,930</u>	\$ <u>61,741</u>
Net deficit for the year	\$ <u>(24,470)</u>	\$ <u>(15,270)</u>
Financing and transfers:		
Transfer from current fund	\$ 32,989	\$ 33,061
Transfer from reserve fund	767	767
Transfer to capital fund	<u>(3,608)</u>	<u>(16,921)</u>
Net financing and transfers	\$ <u>29,381</u>	\$ <u>16,907</u>
Change in library fund balance during the year	\$ <u>4,911</u>	\$ <u>1,637</u>
Accumulated net revenue at the end of the year	\$ <u><u>26,702</u></u>	\$ <u><u>21,791</u></u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Whitewater Region Public Library Board

Notes to the Financial Statements

For the year ended 31 December 2005

1. ACCOUNTING POLICIES

The financial statements of the Whitewater Region Public Library Board are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing. 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 judgments.

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) The historical cost and accumulated amortization of capital assets are not reported for municipal purposes.

252 Raglan Street S.
Renfrew, Ontario

AUDITORS' REPORT

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

We have audited the balance sheet of the Whitewater Historical Society as at 31 December 2005, and the statement of revenue and expenditure for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many such organizations, the Society derives revenue from fund raising 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 fund raising activities, assets and accumulated net revenue.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the fund raising activities referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Whitewater Historical Society as at 31 December 2005, and the results of its operations for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements.

RENFREW, Ontario.

2 February 2006.

Chartered Accountants.

Whitewater Historical SocietyBalance Sheet

As at 31 December 2005
(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
<u>ASSETS</u>		
Cash on hand and in bank	\$ <u>13,137</u>	\$ <u>14,814</u>
<u>LIABILITY AND ACCUMULATED NET REVENUE</u>		
Current liability:		
Due to Whitewater Region Public Library Board	\$ 692	\$ 682
Accumulated net revenue	<u>12,445</u>	<u>14,132</u>
	\$ <u>13,137</u>	\$ <u>14,814</u>

(See accompanying notes)

Whitewater Historical Society

Statement of Revenue and Expenditure

For the year ended 31 December 2005

(with 2004 figures for comparison)

	<u>2005</u>	<u>2004</u>
Accumulated net revenue at the beginning of the year	\$ <u>14,132</u>	\$ <u>11,515</u>
Revenue:		
Government of Canada	\$ 3,090	\$ 2,445
Ontario Trillium Foundation grant		1,530
Ontario Ministry of Culture grant	1,070	1,909
Fund raising and donations	9,032	5,574
Interest income	<u>92</u>	<u>13</u>
	\$ <u>13,284</u>	\$ <u>11,471</u>
Expenditure:		
Building maintenance	\$ 545	\$ 572
Fund raising	2,375	
Office, advertising and supplies	3,182	2,799
Salaries	3,181	2,533
St. Aidan's Church project	5,597	788
Trillium grant expenditures		1,754
Utilities	<u>4,373</u>	<u>4,229</u>
	\$ <u>19,253</u>	\$ <u>12,675</u>
Net deficit for the year	\$ (5,969)	\$ (1,204)
Financing and transfers:		
Transfer from current fund	<u>4,282</u>	<u>3,821</u>
Change in Historical Society fund balance during the year	\$ <u>(1,687)</u>	\$ <u>2,617</u>
Accumulated net revenue at the end of the year	\$ <u><u>12,445</u></u>	\$ <u><u>14,132</u></u>

(See accompanying notes)

Whitewater Historical Society
Notes to the Financial Statements
For the year ended 31 December 2005

1. ACCOUNTING POLICIES

The financial statements of the Whitewater Historical Society are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing. 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 judgments.

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) The historical cost and accumulated amortization of capital assets are not reported for municipal purposes.