

Township of Whitewater Region
Financial Report
For the year ended 31 December 2008

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 consolidated statement of financial position of the Corporation of the Township of Whitewater Region as at 31 December 2008, and the consolidated statements of financial activities 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 2008, and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



RENFREW, Ontario.

6 February 2009.

Chartered Accountants,

Licensed Public Accountants.

Township of Whitewater Region

Consolidated Statement of Financial Position

As at 31 December 2008

(with 2007 figures for comparison)

	<u>2008</u>	<u>2007</u>
ASSETS		
Cash	\$ 696,071	\$ 94,730
Taxes receivable	476,616	495,670
Accounts receivable	185,219	352,657
Investment in Ottawa River Power Corporation (Note 4)	294,735	294,735
	<u>\$ 1,652,641</u>	<u>\$ 1,237,792</u>
LIABILITIES AND MUNICIPAL POSITION		
Liabilities:		
Operating bank loan		\$ 425,000
Accounts payable and accrued liabilities	\$ 284,379	438,281
Deferred revenue - obligatory reserve funds (Note 5)	218,960	273,024
- other	1,178,914	
Net long term liabilities (Note 6)	750,000	500,000
Employee future benefits	64,677	54,376
Landfill closure and post closure costs (Note 7)	566,875	768,545
	<u>\$ 3,063,805</u>	<u>\$ 2,459,226</u>
Municipal position:		
Fund balances:		
Current fund (Note 9)	\$ (50,391)	\$ (128,576)
Cobden and District Recreation Association	40,075	4,121
Whitewater Region Public Library Board	62,610	71,803
Waterworks - Cobden	8,135	(12,037)
Waterworks - Beachburg	(5,467)	(7,896)
Waterworks - Haley	2,114	3,299
Whitewater Historical Society	17,419	18,308
Capital fund	(1,671,361)	(1,422,713)
Reserves and reserve funds	1,567,254	1,575,178
Total fund balances	<u>\$ (29,612)</u>	<u>\$ 101,487</u>
Amounts to be recovered:		
Long term liabilities	\$ (750,000)	\$ (500,000)
Employee future benefits	(64,677)	(54,376)
Landfill closure and post closure costs	(566,875)	(768,545)
Total amounts to be recovered	<u>\$ (1,381,552)</u>	<u>\$ (1,322,921)</u>
Municipal position	<u>\$ (1,411,164)</u>	<u>\$ (1,221,434)</u>
	<u>\$ 1,652,641</u>	<u>\$ 1,237,792</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region

Consolidated Statement of Financial Activities

For the year ended 31 December 2008

(with 2008 budget and 2007 actual figures for comparison)

	Budget 2008	Actual 2008	Actual 2007
Revenue:			
Net municipal taxation and user fees	\$ 3,059,216	\$ 3,049,068	\$ 2,950,076
Transfer payments:			
Ontario	4,159,729	2,412,947	2,673,959
Canada	12,800	12,215	6,904
Other municipalities	39,192	38,734	12,162
Other	1,288,166	1,108,159	842,607
	<u>\$ 8,559,103</u>	<u>\$ 6,621,123</u>	<u>\$ 6,485,708</u>
Expenditure:			
Current:			
General government	\$ 762,909	\$ 757,738	\$ 696,180
Protection to persons and property	960,075	906,251	983,818
Transportation services	2,175,509	1,437,862	1,874,005
Environmental services	1,137,115	1,122,360	1,094,032
Health, social and family services	7,000	6,388	6,926
Recreation and cultural services	335,884	409,807	385,411
Planning and development	29,400	26,392	12,883
	<u>\$ 5,407,892</u>	<u>\$ 4,666,798</u>	<u>\$ 5,053,255</u>
Capital:			
General government	\$ 531,000	\$ 33,492	\$ 5,174
Protection to persons and property	93,600	91,850	3,526
Transportation services	1,545,000	1,203,059	57,039
Environmental services	971,700	974,075	2,466,158
Recreation and cultural services	53,206	30,392	27,578
Planning and development	2,500	2,556	
	<u>\$ 3,197,006</u>	<u>\$ 2,335,424</u>	<u>\$ 2,559,475</u>
Total expenditure	<u>\$ 8,604,898</u>	<u>\$ 7,002,222</u>	<u>\$ 7,612,730</u>
Net deficit for the year	\$ (45,795)	\$ (381,099)	\$ (1,127,022)
Financing and transfers:			
Proceeds from OSIFA loan	250,000	250,000	500,000
Change in fund balances during the year	<u>\$ 204,205</u>	<u>\$ (131,099)</u>	<u>\$ (627,022)</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region

Schedule of Current Fund Operations

For the year ended 31 December 2008

(with 2008 budget and 2007 actual figures for comparison)

	Budget 2008	Actual 2008	Actual 2007
Revenue:			
Net municipal taxation	\$ 2,467,113	\$ 2,473,035	\$ 2,358,714
User charges	192,000	183,392	192,467
Transfer payments:			
Ontario	2,852,029	1,422,333	1,419,665
Canada	3,500	2,894	3,500
Other municipalities	37,772	37,314	9,142
Other	891,903	682,830	635,136
	<u>\$ 6,444,317</u>	<u>\$ 4,801,798</u>	<u>\$ 4,618,624</u>
Expenditure:			
General government	\$ 762,909	\$ 757,738	\$ 696,180
Protection to persons and property	960,075	906,251	983,818
Transportation services	2,175,509	1,437,862	1,874,005
Environmental services	737,729	718,214	701,449
Health services	7,000	6,388	6,926
Recreation and cultural services	95,784	112,561	125,043
Planning and development	29,400	26,392	12,883
	<u>\$ 4,768,406</u>	<u>\$ 3,965,406</u>	<u>\$ 4,400,304</u>
Net surplus for the year	<u>\$ 1,675,911</u>	<u>\$ 836,392</u>	<u>\$ 218,320</u>
Financing and transfers:			
Transfer to Cobden and District Recreation	\$ (10,000)	\$ (10,000)	\$ (10,000)
Transfer to Whitewater Region Public Library	(33,500)	(33,831)	(34,526)
Transfer to Whitewater Historical Society	(4,500)	(3,726)	(4,366)
Transfer from (to) reserves	(370,626)	(37,722)	2,224
Transfer to waterworks - Haley	(19,983)	(19,983)	(19,921)
Transfer to waterworks - Beachburg	(7,438)	(7,438)	(7,438)
Transfer to capital	(1,108,726)	(645,507)	(239,048)
Net financing and transfers	<u>\$ (1,547,335)</u>	<u>\$ (758,207)</u>	<u>\$ (305,637)</u>
Change in current fund balance during the year	\$ 128,576	\$ 78,185	\$ (87,317)
Current fund balance at the beginning of the year	<u>(128,576)</u>	<u>(128,576)</u>	<u>(41,259)</u>
Current fund balance at the end of the year	<u>\$ -</u>	<u>\$ (50,391)</u>	<u>\$ (128,576)</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region

Schedule of Reserves and Reserve Funds

For the year ended 31 December 2008

(with 2007 figures for comparison)

	2008	2007
Revenue:		
Investment income	\$ <u>622</u>	\$ <u>610</u>
Financing and transfers:		
Transfer from (to) current fund	\$ 37,722	\$ (2,224)
Transfer to capital fund	(40,007)	
Transfer from Cobden and District Recreation Association		10,485
Transfer to waterworks - Beachburg	(9,500)	(5,000)
Transfer from waterworks - Cobden	<u>3,239</u>	<u>8,000</u>
	\$ <u>(8,546)</u>	\$ <u>11,261</u>
Change in the reserves and reserve fund balances during the year	\$ (7,924)	\$ 11,871
Reserves and reserve funds at the beginning of the year	<u>1,575,178</u>	<u>1,563,307</u>
Reserves and reserve funds at the end of the year	\$ <u><u>1,567,254</u></u>	\$ <u><u>1,575,178</u></u>
Analyzed as follows:		
Reserves set aside for specific purposes:		
Working funds	\$ 668,116	\$ 684,316
General government	175,000	148,000
Retirement of waterworks debentures	7,433	7,433
Working funds waterworks	199,755	206,016
Working funds for Beachburg	68,443	65,881
Roads	73,000	113,007
Sick leave	44,821	44,821
Replacement of fire equipment	40,000	20,000
Parks and recreation	48,352	48,352
Landfill expenditures	85,867	85,867
Planning and property	28,000	24,000
Sewer upgrading	<u>106,068</u>	<u>105,708</u>
Total reserves	\$ 1,544,855	\$ 1,553,401
Discretionary reserve fund set aside for specific purposes:		
Retirement of sewer debentures	<u>22,399</u>	<u>21,777</u>
Total reserves and reserve funds	\$ <u><u>1,567,254</u></u>	\$ <u><u>1,575,178</u></u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region

Schedule of Capital Fund Operations

For the year ended 31 December 2008

(with 2008 budget and 2007 actual figures for comparison)

	Budget 2008	Actual 2008	Actual 2007
Revenue:			
Grant - Ontario	\$ 1,280,000	\$ 963,065	\$ 1,201,648
Deferred revenue	<u>160,000</u>	<u>161,692</u>	<u></u>
	<u>\$ 1,440,000</u>	<u>\$ 1,124,757</u>	<u>\$ 1,201,648</u>
Expenditure:			
General government	\$ 531,000	\$ 33,492	\$ 5,174
Protection to persons and property	93,600	91,850	3,526
Transportation services	1,545,000	1,203,059	57,039
Environmental services	971,700	974,075	2,466,158
Recreation and cultural services	53,206	30,392	27,578
Planning and development	<u>2,500</u>	<u>2,556</u>	<u></u>
Total expenditure	<u>\$ 3,197,006</u>	<u>\$ 2,335,424</u>	<u>\$ 2,559,475</u>
Net deficit for the year	<u>\$ (1,757,006)</u>	<u>\$ (1,210,667)</u>	<u>\$ (1,357,827)</u>
Financing and transfers:			
Transfer from current fund	\$ 1,108,726	\$ 645,507	\$ 239,048
Transfer from waterworks - Cobden	9,700	666	7,140
Transfer from waterworks - Beachburg	6,000	5,509	
Transfer from waterworks - Haley	1,000	216	
Transfer from Whitewater Region Public Library	1,500	1,404	4,869
Transfer from Cobden and District Recreation	41,706	18,710	11,318
OSIFA loan	250,000	250,000	500,000
Transfer from reserves	<u>93,007</u>	<u>40,007</u>	<u></u>
Net financing and transfers	<u>\$ 1,511,639</u>	<u>\$ 962,019</u>	<u>\$ 762,375</u>
Change in the capital fund balance during the year	\$ (245,367)	\$ (248,648)	\$ (595,452)
Capital fund balance at the beginning of the year	<u>(1,422,713)</u>	<u>(1,422,713)</u>	<u>(827,261)</u>
Capital fund balance at the end of the year	<u>\$ (1,668,080)</u>	<u>\$ (1,671,361)</u>	<u>\$ (1,422,713)</u>

(See accompanying notes)

Township of Whitewater Region

Consolidated Statement of Cash Flows

For the year ended 31 December 2008
(with 2007 figures for comparison)

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Net deficit for the year	\$ <u>(381,099)</u>	\$ <u>(1,127,022)</u>
Net change in non cash working capital balances related to operations:		
- decrease (increase) in taxes receivable	\$ 19,054	\$ (36,478)
- decrease (increase) in accounts receivable	167,438	(74,416)
- increase (decrease) in accounts payable and accrued liabilities	(153,902)	(38,853)
- increase (decrease) in deferred revenue	<u>1,124,850</u>	<u>86,432</u>
	<u>\$ 1,157,440</u>	<u>\$ (63,315)</u>
Cash flows from (used for) operating activities	\$ 776,341	\$ (1,190,337)
Cash flows from financing activities:		
Proceeds from long term debt	<u>250,000</u>	<u>500,000</u>
Net increase (decrease) in cash and cash equivalents during the year	\$ 1,026,341	\$ (690,337)
Cash and cash equivalents at the beginning of the year	<u>(330,270)</u>	<u>360,067</u>
Cash and cash equivalents at the end of the year	<u>\$ 696,071</u>	<u>\$ (330,270)</u>
Comprised of:		
Cash	\$ 696,071	\$ 94,730
Operating bank loan	<u> </u>	<u>(425,000)</u>
	<u>\$ 696,071</u>	<u>\$ (330,270)</u>

(See accompanying notes)

Township of Whitewater Region
Notes to the Consolidated Financial Statements
For the year ended 31 December 2008

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 Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Township are as follows:

(a) Reporting Entity

- (i) The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and fund balances of the revenue fund, capital fund and reserve funds 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

- (ii) Funds within the consolidated financial statements consist of current, capital and reserve funds. Transfers between the funds are recorded as adjustments to the appropriate municipal fund balance.
- (iii) 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.
- (iv) Trust funds and their related operations administered by the Township are not included in these financial statements but are reported separately on the Trust Funds Statement of Continuity and Statement of Financial Position.
- (v) 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 period in which they are paid.

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 receipts of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets

The historical cost and accumulated amortization of capital assets are not reported for municipal purposes. Capital assets are reported as expenditures on the "Consolidated Statement of Financial Activities" in the year of acquisition.

(c) 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.

Township of Whitewater Region
Notes to the Consolidated Financial Statements
For the year ended 31 December 2008

(d) Investment Income

Investment income earned on surplus current funds, capital funds, reserves and reserve 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.

(e) Reserves and Reserve Funds

Certain amounts, as approved by the Township Council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

(f) 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.

(g) 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.

(h) Financial Instruments

Financial instruments include cash, taxes receivable, accounts receivable and accounts payable and accrued liabilities. 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 and accounts payable and accrued liabilities approximate 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.

(i) 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.

(j) Landfill Closure and Post Closure Liabilities

The Municipality accrues landfill closure and post closure care requirements that have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of 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 twenty-five year period using the best information available to management.

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.

Township of Whitewater Region
Notes to the Consolidated Financial Statements
For the year ended 31 December 2008

(k) Amounts to be Recovered

Amounts to be recovered as reported on the consolidated statement of financial position are comprised of the outstanding principal portion of long term liabilities for municipal expenditures, employee future benefits and the landfill closure and post closure liabilities.

2. 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	\$ 1,857,374	\$ 2,170,843
Payments in lieu	<u>21</u>	<u>28,489</u>
	<u>\$ 1,857,395</u>	<u>\$ 2,199,332</u>

3. TRUST FUNDS

Trust funds administered by the Township amounting to \$ 4,908 (2007 - \$ 10,330) are presented in a separate financial statement of trust fund balances and operations. As such balances are held in trust by the Township for the benefit of others, they are not presented as part of the Township's financial position or financial activities.

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>\$ 294,735</u>

5. 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>2008</u>	<u>2007</u>
Parkland Reserve Fund	\$ 23,881	\$ 23,215
Water and Sewer Reserve Fund	38,961	37,926
Gasoline Tax - Federal	<u>156,118</u>	<u>211,883</u>
	<u>\$ 218,960</u>	<u>\$ 273,024</u>

Township of Whitewater Region
Notes to the Consolidated Financial Statements
For the year ended 31 December 2008

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

	<u>2008</u>	<u>2007</u>
Balance at the beginning of the year	\$ 273,024	\$ 186,592
Gas tax revenue received	105,928	84,748
Interest earned	<u>1,700</u>	<u>1,684</u>
	\$ 380,652	\$ 273,024
Transfer to the capital fund	<u>(161,692)</u>	<u></u>
Balance at the end of the year	<u>\$ 218,960</u>	<u>\$ 273,024</u>

6. NET LONG TERM LIABILITIES

	<u>2008</u>	<u>2007</u>
(a) The balance of net long term liabilities reported on the "Consolidated Statement of Financial Position" is made up of the following: Total long term liabilities incurred by the Municipality and outstanding at the end of the year amount to	\$ 1,002,083	\$ 703,981
Of the long term liabilities shown above, the responsibility for payment of principal and interest charges for tile drainage loans has been assumed by individuals. At the end of the year, the outstanding principal amount of this liability is	<u>(252,083)</u>	<u>(203,981)</u>
Net long term liabilities	<u>\$ 750,000</u>	<u>\$ 500,000</u>

(b) The net long term liabilities of \$ 750,000 presently have no set repayment schedule.

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 twenty-five year period using the best information available to management. 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.

Township of Whitewater Region
Notes to the Consolidated Financial Statements
For the year ended 31 December 2008

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 2008. The Municipality is contingently liable for long term liabilities with respect to tile drainage loans. The total amount outstanding as at 31 December 2008 is \$ 252,083 (2007 - \$ 203,981) and is not recorded on the "Consolidated Statement of Financial Position".

9. CURRENT FUND BALANCE AT THE END OF THE YEAR

The current fund balance on the "Consolidated Statement of Financial Position" at the end of the year is comprised of the following:

	<u>2008</u>	<u>2007</u>
- for general reduction (increase) of taxation	\$ (56,563)	(129,617)
- for reduction (increase) of charges to benefitting landowners related to special areas as follows:		
- street lights	10,484	3,314
- sewage	<u>(4,312)</u>	<u>(2,273)</u>
	<u>\$ (50,391)</u>	<u>\$ (128,576)</u>

10. BUDGET FIGURES

Township of Whitewater Region Council reviews its operating and capital budgets annually. The approved operating budget for 2008 is reflected on the Schedule of Current Fund Operations and is included in the budget figures presented in the Consolidated Statement of Financial Activities.

Budgets established for the Capital Fund and Reserves and Reserve Funds are set on a project-oriented basis, the costs of which may be carried out over one or more fiscal years. The budget reflected in the Consolidated Statement of Financial Activities is an annual budget only as required by the recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

11. TANGIBLE CAPITAL ASSETS

Commencing with the fiscal year beginning 1 January 2009, the Municipality will be adopting the Canadian Institute of Chartered Accountants' Public Sector Accounting Handbook Section PS 3150, "Tangible Capital Assets". This section establishes standards on how to account for and report tangible capital assets in government financial statements. Tangible capital assets include such items as roads, bridges, lands and buildings, vehicles and equipment and water and wastewater systems.

During the year, the Township continued to work towards compliance with these new recommendations.

As of 31 December 2008, the Municipality does not have relevant information to disclose cost, accumulated amortization and net book values for any specific tangible capital asset category. Tangible capital assets are reported as an expenditure on the "Consolidated Statement of Financial Activities" in the year of acquisition.

AUDITORS' REPORT

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

We have audited the statement of financial position of the trust fund of the Corporation of the Township of Whitewater Region as at 31 December 2008 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 2008, and the continuity of the trust fund for the year then ended in accordance with Canadian generally accepted accounting principles.

Mack Killican & Associates

RENFREW, Ontario.

6 February 2009.

Chartered Accountants,

Licensed Public Accountants.

Trust Fund

Statement of Continuity

For the year ended 31 December 2008
(with 2007 figures for comparison)

	<u>2008</u>	<u>2007</u>
Balance at the beginning of the year	\$ <u>10,330</u>	\$ <u>10,745</u>
Revenue:		
Interest earned - at bank	\$ 55	\$ 80
- loans	<u>779</u>	<u>199</u>
	\$ <u>834</u>	\$ <u>279</u>
Expenditure:		
Administration charges	\$ 184	\$ 244
Loans forgiven	2,950	450
Repayment to the Province of Ontario	<u>3,122</u>	<u> </u>
	\$ <u>6,256</u>	\$ <u>694</u>
Balance at the end of the year	\$ <u><u>4,908</u></u>	\$ <u><u>10,330</u></u>

Township of Whitewater Region

Trust Fund

Statement of Financial Position

As at 31 December 2008
(with 2007 figures for comparison)

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash in bank	\$ 2,625	\$ 3,400
Loans receivable (Note 2)	<u>2,467</u>	<u>7,208</u>
	\$ <u><u>5,092</u></u>	\$ <u><u>10,608</u></u>
<u>LIABILITY AND FUND BALANCE</u>		
Due to Township of Whitewater Region	\$ 184	\$ 278
Fund balance	<u>4,908</u>	<u>10,330</u>
	\$ <u><u>5,092</u></u>	\$ <u><u>10,608</u></u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region

Trust Fund

Notes to the Financial Statements

For the year ended 31 December 2008

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 2008 comprise repayable loans of \$ 2,467 (2007 - \$ 4,258) and forgivable loans of nil (2007 - \$ 2,950). 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 the year ended 31 December 2008, the amount of \$ 2,442 must be returned to the Province by 1 March 2009.

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 statement of financial position of the Township of Whitewater Region Waterworks as at 31 December 2008, and the statements of financial activities 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 2008, and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

MacKillican & Associates

RENFREW, Ontario.

6 February 2009.

Chartered Accountants,

Licensed Public Accountants.

Township of Whitewater Region Waterworks

Statement of Financial Position

As at 31 December 2008
(with 2007 figures for comparison)

	<u>2008</u>	<u>2007</u>
ASSETS		
Cash in bank	\$ 23,215	
Due from Canada	6,384	\$ 99,233
Due from Province	393	393
Due from capital fund	1,671,361	1,328,268
Accounts receivable	<u>3,384</u>	<u>7,250</u>
	<u>\$ 1,704,737</u>	<u>\$ 1,435,144</u>
LIABILITIES AND WATERWORKS POSITION		
Bank overdraft		\$ 73,819
Accounts payable	\$ 8,350	212,476
Due to current fund	<u>1,484,417</u>	<u>952,034</u>
	<u>\$ 1,492,767</u>	<u>\$ 1,238,329</u>
Waterworks position:		
Fund balances:		
Cobden	\$ 8,135	\$ (12,037)
Beachburg	(5,467)	(7,896)
Haley	2,114	3,299
Reserves	<u>207,188</u>	<u>213,449</u>
Total fund balances	<u>\$ 211,970</u>	<u>\$ 196,815</u>
	<u>\$ 1,704,737</u>	<u>\$ 1,435,144</u>

(See accompanying notes)

Township of Whitewater Region Waterworks - Cobden

Statement of Financial Activities

For the year ended 31 December 2008

(with 2008 budget and 2007 actual figures for comparison)

	Budget 2008	Actual 2008	Actual 2007
Revenue:			
Water service charges	\$ 217,000	\$ 208,567	\$ 218,359
Other	3,498	2,673	3,918
Interest income	3,500	2,957	4,070
	<u>\$ 223,998</u>	<u>\$ 214,197</u>	<u>\$ 226,347</u>
Expenditure:			
Administration	\$ 20,572	\$ 19,710	\$ 19,894
Distribution:			
Salaries	20,000	21,233	23,165
Facility supplies, utilities and maintenance	24,200	18,166	31,333
Transmission:			
Salaries	73,300	73,284	74,646
Facility supplies, utilities and maintenance	60,950	57,727	50,868
	<u>\$ 199,022</u>	<u>\$ 190,120</u>	<u>\$ 199,906</u>
Net surplus for the year	<u>\$ 24,976</u>	<u>\$ 24,077</u>	<u>\$ 26,441</u>
Financing and transfers:			
Transfer to capital fund	\$ (9,700)	\$ (666)	\$ (7,140)
Transfer to reserves	(3,239)	(3,239)	(8,000)
Net financing and transfers	<u>\$ (12,939)</u>	<u>\$ (3,905)</u>	<u>\$ (15,140)</u>
Change in waterworks fund balance during the year	\$ 12,037	\$ 20,172	\$ 11,301
Waterworks fund balance at the beginning of the year	(12,037)	(12,037)	(23,338)
Waterworks fund balance at the end of the year	<u>\$ -</u>	<u>\$ 8,135</u>	<u>\$ (12,037)</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Township of Whitewater Region Waterworks - Beachburg

Statement of Financial Activities

For the year ended 31 December 2008

(with 2008 budget and 2007 actual figures for comparison)

	<u>Budget 2008</u>	<u>Actual 2008</u>	<u>Actual 2007</u>
Revenue:			
Water service charges	\$ 166,158	\$ 167,754	\$ 164,216
Expenditure:			
Administration	\$ 25,812	\$ 25,836	\$ 25,574
Distribution:			
Salaries	10,300	15,906	14,355
Facility supplies, utilities and maintenance	7,700	15,869	9,300
Transmission:			
Salaries	68,000	70,897	69,575
Facility supplies, utilities and maintenance	49,950	48,246	40,855
	<u>\$ 161,762</u>	<u>\$ 176,754</u>	<u>\$ 159,659</u>
Net surplus (deficit) for the year	\$ 4,396	\$ (9,000)	\$ 4,557
Financing and transfers:			
Transfer to capital fund	\$ (6,000)	\$ (5,509)	
Transfer from current fund		7,438	
Transfer from reserves	9,500	9,500	\$ 5,000
Net financing and transfers	<u>\$ 3,500</u>	<u>\$ 11,429</u>	<u>\$ 5,000</u>
Change in waterworks fund balance during the year	\$ 7,896	\$ 2,429	\$ 9,557
Waterworks fund balance at the beginning of the year	<u>(7,896)</u>	<u>(7,896)</u>	<u>(17,453)</u>
Waterworks fund balance at the end of the year	<u>\$ -</u>	<u>\$ (5,467)</u>	<u>\$ (7,896)</u>

(See accompanying notes)

Township of Whitewater Region Waterworks - Haley

Statement of Financial Activities

For the year ended 31 December 2008

(with 2008 budget and 2007 actual figures for comparison)

	<u>Budget 2008</u>	<u>Actual 2008</u>	<u>Actual 2007</u>
Revenue:			
Water service charges	\$ <u>16,320</u>	\$ <u>16,320</u>	\$ <u>16,320</u>
Expenditure:			
Administration	\$ 3,546	\$ 3,370	\$ 3,362
Distribution:			
Salaries	1,706	1,658	175
Facility supplies, utilities and maintenance	2,500	2,162	1,589
Transmission:			
Salaries	17,900	17,350	17,175
Facility supplies, utilities and maintenance	<u>12,950</u>	<u>12,732</u>	<u>10,717</u>
	<u>\$ 38,602</u>	<u>\$ 37,272</u>	<u>\$ 33,018</u>
Net deficit for the year	<u>\$ (22,282)</u>	<u>\$ (20,952)</u>	<u>\$ (16,698)</u>
Financing and transfers:			
Transfer to capital fund	\$ (1,000)	\$ (216)	
Transfer from current fund	<u>19,983</u>	<u>19,983</u>	<u>\$ 19,921</u>
Net financing and transfers	<u>\$ 18,983</u>	<u>\$ 19,767</u>	<u>\$ 19,921</u>
Change in waterworks fund balance during the year	\$ (3,299)	\$ (1,185)	\$ 3,223
Waterworks fund balance at the beginning of the year	<u>3,299</u>	<u>3,299</u>	<u>76</u>
Waterworks fund balance at the end of the year	<u>\$ -</u>	<u>\$ 2,114</u>	<u>\$ 3,299</u>

(See accompanying notes)

Township of Whitewater Region Waterworks

Notes to the Financial Statements

For the year ended 31 December 2008

1. ACCOUNTING POLICIES

The financial statements of the Township of Whitewater Region Waterworks are the representation of management prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board 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) The historical cost and accumulated amortization of capital assets are not reported for municipal purposes.

AUDITORS' REPORT

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

We have audited the statement of financial position of the Cobden and District Recreation Association as at 31 December 2008 and the statement of financial activities 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 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 Cobden and District Recreation Association and we were not able to determine whether any adjustments might be necessary to fundraising 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 fundraising 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 2008, and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Mack Killiegan & Associates

RENFREW, Ontario.

6 February 2009.

Chartered Accountants,

Licensed Public Accountants.

Cobden and District Recreation Association**Statement of Financial Position**

As at 31 December 2008
(with 2007 figures for comparison)

	2008	2007
ASSETS		
Cash on hand and in bank	\$ 120,351	\$ 55,462
Accounts receivable	<u>14,664</u>	<u>22,242</u>
	<u>\$ 135,015</u>	<u>\$ 77,704</u>
LIABILITIES AND RECREATION POSITION		
Current liabilities:		
Accounts payable	\$ 10,416	\$ 68
Due to Canada	2,670	2,121
Due to Municipality	<u>33,560</u>	<u>23,100</u>
	<u>\$ 46,646</u>	<u>\$ 25,289</u>
Recreation position:		
Recreation fund	\$ 40,075	\$ 4,121
Reserves	<u>48,294</u>	<u>48,294</u>
Recreation position	<u>\$ 88,369</u>	<u>\$ 52,415</u>
	<u>\$ 135,015</u>	<u>\$ 77,704</u>

(See accompanying notes)

Cobden and District Recreation Association

Statement of Financial Activities

For the year ended 31 December 2008

(with 2008 budget and 2007 actual figures for comparison)

	Budget 2008	Actual 2008	Actual 2007
Accumulated net revenue at the beginning of the year	\$ 4,121	\$ 4,121	\$ 13,535
Revenue:			
Other municipalities	\$ 1,420	\$ 1,420	\$ 3,020
Hydro One Grant	15,000	15,000	
Facility rentals	167,500	184,231	154,744
Fundraising	29,765	41,298	20,517
	<u>\$ 213,685</u>	<u>\$ 241,949</u>	<u>\$ 178,281</u>
Expenditure:			
Administration	\$ 3,500	\$ 2,936	\$ 3,177
Maintenance of property and equipment	40,700	44,054	34,999
Salaries	87,400	97,865	85,211
Utilities	54,500	52,430	52,505
	<u>\$ 186,100</u>	<u>\$ 197,285</u>	<u>\$ 175,892</u>
Net surplus for the year	<u>\$ 27,585</u>	<u>\$ 44,664</u>	<u>\$ 2,389</u>
Financing and transfers:			
Transfer from current fund	\$ 10,000	\$ 10,000	\$ 10,000
Transfer to reserves			(10,485)
Transfer to capital fund	(41,706)	(18,710)	(11,318)
Net financing and transfers	<u>\$ (31,706)</u>	<u>\$ (8,710)</u>	<u>\$ (11,803)</u>
Change in recreation fund balance during the year	<u>\$ (4,121)</u>	<u>\$ 35,954</u>	<u>\$ (9,414)</u>
Accumulated net revenue at the end of the year	<u>\$ -</u>	<u>\$ 40,075</u>	<u>\$ 4,121</u>

(See accompanying notes)

Cobden and District Recreation Association

Notes to the Financial Statements

For the year ended 31 December 2008

1. ACCOUNTING POLICIES

The financial statements of the Cobden and District Recreation Association are the representation of management prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board 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) The historical cost and accumulated amortization of capital assets are not reported for municipal purposes.

AUDITORS' REPORT

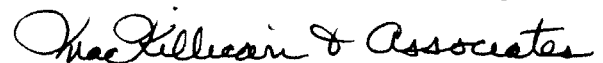
To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Township of Whitewater Region.

We have audited the statement of financial position of the Whitewater Region Public Library Board as at 31 December 2008 and the statement of financial activities 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 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 Region Public Library Board and we were not able to determine whether any adjustments might be necessary to fundraising 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 fundraising 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 2008, and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.



RENFREW, Ontario.

6 February 2009.

Chartered Accountants,

Licensed Public Accountants.

Whitewater Region Public Library BoardStatement of Financial Position

As at 31 December 2008
(with 2007 figures for comparison)

	<u>2008</u>	<u>2007</u>
ASSETS		
Cash on hand and in bank	\$ 12,329	\$ 11,053
Term deposits	46,821	58,055
Due from Ontario	1,483	1,066
Due from Canada	1,342	1,749
Due from Whitewater Historical Society	<u>635</u>	<u> </u>
	<u>\$ 62,610</u>	<u>\$ 71,923</u>

LIABILITIES AND LIBRARY POSITION

Liabilities:		
Accounts payable	\$ -	\$ 120
Library fund	<u>62,610</u>	<u>71,803</u>
	<u>\$ 62,610</u>	<u>\$ 71,923</u>

(See accompanying notes)

Whitewater Region Public Library Board

Statement of Financial Activities

For the year ended 31 December 2008

(with 2007 figures for comparison)

	2008	2007
Accumulated net revenue at the beginning of the year	\$ <u>71,803</u>	\$ <u>46,444</u>
Revenue:		
Grants from the Province of Ontario - operating	\$ 13,517	\$ 13,517
- pay equity	2,278	2,278
- Sustainability	10,989	8,781
- Literacy Initiative		27,000
Canada summer student grant	1,227	
Ontario Library Association	5,333	6,225
Fines and sale of books	571	1,166
Investment income	1,310	1,844
Donations and fundraising	<u>5,234</u>	<u>8,065</u>
	\$ <u>40,459</u>	\$ <u>68,876</u>
Expenditure:		
Bank charges	\$ 206	\$ 295
Books and videos	14,816	13,372
Insurance	1,176	1,124
Postage, telephone and internet	5,885	5,393
Rent	2,400	2,400
Salaries	45,723	40,907
Supplies	9,858	6,813
Utilities	<u>2,015</u>	<u>2,870</u>
	\$ <u>82,079</u>	\$ <u>73,174</u>
Net deficit for the year	\$ <u>(41,620)</u>	\$ <u>(4,298)</u>
Financing and transfers:		
Transfer from current fund	\$ 33,831	\$ 34,526
Transfer to capital fund	<u>(1,404)</u>	<u>(4,869)</u>
Net financing and transfers	\$ <u>32,427</u>	\$ <u>29,657</u>
Change in library fund balance during the year	\$ <u>(9,193)</u>	\$ <u>25,359</u>
Accumulated net revenue at the end of the year	\$ <u><u>62,610</u></u>	\$ <u><u>71,803</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 2008

1. ACCOUNTING POLICIES

The financial statements of the Whitewater Region Public Library Board are the representation of management prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board 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) The historical cost and accumulated amortization of capital assets are not reported for municipal purposes.

252 Raglan Street S.
Renfrew, Ontario

AUDITORS' REPORT

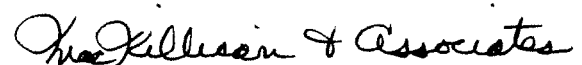
To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the Township of Whitewater Region.

We have audited the statement of financial position of the Whitewater Historical Society as at 31 December 2008 and the statement of financial activities 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 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 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 fundraising 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 2008, and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.



RENFREW, Ontario.

6 February 2009.

Chartered Accountants,

Licensed Public Accountants.

Whitewater Historical Society
Statement of Financial Position
 As at 31 December 2008
 (with 2007 figures for comparison)

	2008	2007
ASSETS		
Cash on hand and in bank	\$ <u>25,354</u>	\$ <u>18,308</u>
LIABILITIES AND ACCUMULATED NET REVENUE		
Current liabilities:		
Due to Whitewater Region Public Library Board	\$ 635	\$ -
Deferred revenue - other	<u>7,300</u>	<u> </u>
	\$ 7,935	\$ -
Accumulated net revenue	<u>17,419</u>	<u>18,308</u>
	<u>\$ 25,354</u>	<u>\$ 18,308</u>

(See accompanying notes)

Whitewater Historical Society

Statement of Financial Activities

For the year ended 31 December 2008
(with 2007 figures for comparison)

	<u>2008</u>	<u>2007</u>
Accumulated net revenue at the beginning of the year	\$ <u>18,308</u>	\$ <u>14,458</u>
Revenue:		
Government of Canada	\$ 8,094	\$ 3,404
Ontario Ministry of Culture grant	765	1,070
Fundraising and donations	4,292	6,172
Interest income	<u>116</u>	<u>140</u>
	\$ <u>13,267</u>	\$ <u>10,786</u>
Expenditure:		
Building maintenance	\$ 300	\$ 689
Fundraising	535	311
Office, advertising and supplies	5,423	2,884
Salaries	9,739	3,517
St. Aidan's Church project		25
Utilities	<u>1,885</u>	<u>3,876</u>
	\$ <u>17,882</u>	\$ <u>11,302</u>
Net deficit for the year	\$ (4,615)	\$ (516)
Financing and transfers:		
Transfer from current fund	<u>3,726</u>	<u>4,366</u>
Change in Historical Society fund balance during the year	\$ <u>(889)</u>	\$ <u>3,850</u>
Accumulated net revenue at the end of the year	\$ <u><u>17,419</u></u>	\$ <u><u>18,308</u></u>

(See accompanying notes)

Whitewater Historical Society

Notes to the Financial Statements

For the year ended 31 December 2008

1. ACCOUNTING POLICIES

The financial statements of the Whitewater Historical Society are the representation of management prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board 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) The historical cost and accumulated amortization of capital assets are not reported for municipal purposes.