

Township of Whitewater Region

Consolidated Balance Sheet

As at 31 December 2004
(with 2003 figures for comparison)

	<u>2004</u>	<u>2003</u>
<u>ASSETS</u>		
Cash	\$ 506,059	\$ 210,816
Taxes receivable	587,687	606,039
Accounts receivable	208,405	496,998
Investment in Ottawa River Power Corporation	<u>294,735</u>	<u>294,735</u>
	<u>\$ 1,596,886</u>	<u>\$ 1,608,588</u>
<u>LIABILITIES AND MUNICIPAL POSITION</u>		
Liabilities:		
Temporary loans - current purposes		\$ 75,000
Accounts payable and accrued liabilities	\$ 259,061	232,042
Deferred revenue (Note 4)	56,507	55,371
Net long term liabilities (Note 5)	54,000	78,000
Future employee benefits	51,944	45,786
Landfill closure and post closure costs (Note 6)	<u>768,545</u>	<u>768,545</u>
	<u>\$ 1,190,057</u>	<u>\$ 1,254,744</u>
Municipal position:		
Fund balances:		
Current fund (Note 7)	\$ 2,100	\$ 22,347
Cobden and District Recreation Association	19,491	2,894
Whitewater Region Public Library Board	21,791	20,154
Waterworks - Cobden	11,454	(15,781)
Waterworks - Beachburg	9,918	(3,208)
Waterworks - Haley	5,264	6,483
Ross Historical Society	14,132	11,515
Capital fund	(91,906)	(39,581)
Reserves and reserve funds	<u>1,289,074</u>	<u>1,241,352</u>
Total fund balances	<u>\$ 1,281,318</u>	<u>\$ 1,246,175</u>
Amounts to be recovered:		
Long term liabilities	\$ (54,000)	\$ (78,000)
Future employee benefits	(51,944)	(45,786)
Landfill closure and post closure costs	<u>(768,545)</u>	<u>(768,545)</u>
Total amounts to be recovered	<u>\$ (874,489)</u>	<u>\$ (892,331)</u>
Municipal position	<u>\$ 406,829</u>	<u>\$ 353,844</u>
	<u>\$ 1,596,886</u>	<u>\$ 1,608,588</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater Region

Consolidated Statement of Operations

For the year ended 31 December 2004

(with 2004 budget and 2003 actual figures for comparison)

	Budget 2004	Actual 2004	Actual 2003
Revenue:			
Net municipal taxation and user fees	\$ 2,380,892	\$ 2,403,083	\$ 2,200,578
Transfer payments:			
Ontario	1,360,695	1,391,596	1,464,608
Canada	5,300	6,720	7,818
Other municipalities	12,000	11,270	7,252
Other	798,019	778,550	969,688
	<u>\$ 4,556,906</u>	<u>\$ 4,591,219</u>	<u>\$ 4,649,944</u>
Expenditure:			
Current:			
General government	\$ 631,448	\$ 640,169	\$ 596,599
Protection to persons and property	984,041	974,521	891,810
Transportation services	1,287,405	1,253,401	1,021,147
Environmental services	843,785	864,191	907,257
Health, social and family services	12,500	13,564	32,191
Recreation and cultural services	312,395	305,639	291,201
Planning and development	12,000	13,381	14,156
	<u>\$ 4,083,574</u>	<u>\$ 4,064,866</u>	<u>\$ 3,754,361</u>
Capital:			
General government	\$ 43,000	\$ 17,507	\$ 7,897
Protection to persons and property	222,000	204,479	55,543
Transportation services	132,000	73,841	252,584
Environmental services	40,900	75,009	96,423
Recreation and cultural services	45,000	91,834	1,379
Planning and development	15,000	4,540	
	<u>\$ 497,900</u>	<u>\$ 467,210</u>	<u>\$ 413,826</u>
Total expenditure	<u>\$ 4,581,474</u>	<u>\$ 4,532,076</u>	<u>\$ 4,168,187</u>
Net surplus (deficit) for the year	\$ (24,568)	\$ 59,143	\$ 481,757
Less: debt principal payments	<u>(24,000)</u>	<u>(24,000)</u>	<u>(22,000)</u>
Change in fund balances during the year	<u>\$ (48,568)</u>	<u>\$ 35,143</u>	<u>\$ 459,757</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
 CHARTERED ACCOUNTANTS

Township of Whitewater Region

Schedule of Current Fund Operations
For the year ended 31 December 2004
(with 2004 budget and 2003 actual figures for comparison)

	Budget 2004	Actual 2004	Actual 2003
Revenue:			
Net municipal taxation	\$ 1,822,760	\$ 1,834,414	\$ 1,740,258
User charges	189,000	191,260	128,793
Transfer payments:			
Ontario	1,317,500	1,331,084	1,435,669
Canada	2,800	2,475	2,818
Other municipalities	11,000	10,270	6,252
Other	<u>633,382</u>	<u>586,987</u>	<u>789,115</u>
	<u>\$ 3,976,442</u>	<u>\$ 3,956,490</u>	<u>\$ 4,102,905</u>
Expenditure:			
General government	\$ 631,448	\$ 640,169	\$ 596,599
Protection to persons and property	984,041	974,521	891,810
Transportation services	1,287,405	1,253,401	1,021,147
Environmental services	498,403	536,259	585,828
Health services	12,500	13,564	32,191
Recreation and cultural services	82,200	99,835	74,335
Planning and development	<u>12,000</u>	<u>13,381</u>	<u>14,156</u>
	<u>\$ 3,507,997</u>	<u>\$ 3,531,130</u>	<u>\$ 3,216,066</u>
Net surplus for the year	<u>\$ 468,445</u>	<u>\$ 425,360</u>	<u>\$ 886,839</u>
Financing and transfers:			
Debt principal payments	\$ (17,628)	\$ (17,628)	\$ (16,159)
Transfer to Cobden and District Recreation	(10,000)	(10,000)	(10,000)
Transfer to Whitewater Region Public Library	(33,000)	(33,061)	(30,928)
Transfer to Ross Historical Society	(4,500)	(3,821)	(3,739)
Transfer to reserves	(34,769)	(117,778)	(487,524)
Transfer to waterworks - Haley	(15,395)	(15,395)	(23,424)
Transfer to capital	<u>(375,500)</u>	<u>(247,924)</u>	<u>(352,976)</u>
Net financing and transfers	<u>\$ (490,792)</u>	<u>\$ (445,607)</u>	<u>\$ (924,750)</u>
Change in current fund balance during the year	\$ (22,347)	\$ (20,247)	\$ (37,911)
Current fund balance at the beginning of the year	<u>22,347</u>	<u>22,347</u>	<u>60,258</u>
Current fund balance at the end of the year	<u>\$ -</u>	<u>\$ 2,100</u>	<u>\$ 22,347</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater RegionSchedule of Reserves and Reserve FundsFor the year ended 31 December 2004

(with 2003 figures for comparison)

	<u>2004</u>	<u>2003</u>
Revenue:		
Investment income	\$ <u>1,131</u>	\$ <u>1,131</u>
Financing and transfers:		
Transfer from current fund	\$ 117,778	\$ 487,524
Transfer to capital fund	(79,540)	
Transfer from waterworks - Beachburg	4,164	4,164
Transfer from waterworks - Cobden	4,956	9,396
Transfer from waterworks - Haley		1,020
Transfer to Whitewater Region Public Library Board	<u>(767)</u>	<u>(3,084)</u>
	<u>\$ 46,591</u>	<u>\$ 499,020</u>
Change in the reserves and reserve fund balances during the year	\$ 47,722	\$ 500,151
Reserves and reserve funds at the beginning of the year	<u>1,241,352</u>	<u>741,201</u>
Reserves and reserve funds at the end of the year	<u>\$ 1,289,074</u>	<u>\$ 1,241,352</u>
Analyzed as follows:		
Reserves set aside for specific purposes:		
Working funds	\$ 753,316	\$ 805,316
Building renovations	20,000	
Emergency plan	6,600	
Retirement of waterworks debentures	7,433	7,433
Working funds waterworks	26,137	17,017
Working funds for Beachburg	41,697	10,697
Roads	133,007	73,000
Sick leave	44,821	44,821
Replacement of fire equipment	14,500	75,007
Parks and recreation	6,367	6,367
Landfill expenditures	150,867	150,867
Planning and property	10,000	15,000
Sewer upgrading	<u>53,757</u>	<u>14,488</u>
Total reserves	<u>\$ 1,268,502</u>	<u>\$ 1,220,013</u>
Discretionary reserve funds set aside for specific purposes:		
Retirement of sewer debentures	\$ 20,572	\$ 20,572
Library		<u>767</u>
Total reserve funds	<u>\$ 20,572</u>	<u>\$ 21,339</u>
Total reserves and reserve funds	<u>\$ 1,289,074</u>	<u>\$ 1,241,352</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater RegionSchedule of Capital Fund OperationsFor the year ended 31 December 2004

(with 2004 budget and 2003 actual figures for comparison)

	Budget 2004	Actual 2004	Actual 2003
Revenue:			
Grant - Ontario	\$ -	\$ 18,000	
Grant - Canada		1,800	
Contribution from the Restructuring Fund			\$ 27,556
	\$ -	\$ 19,800	\$ 27,556
Expenditure:			
General government	\$ 43,000	\$ 17,507	\$ 7,897
Protection to persons and property	222,000	204,479	55,543
Transportation services	132,000	73,841	252,584
Environmental services	40,900	75,009	96,423
Recreation and cultural services	45,000	91,834	1,379
Planning and development	15,000	4,540	
Total expenditure	\$ 497,900	\$ 467,210	\$ 413,826
Net deficit for the year	\$ (497,900)	\$ (447,410)	\$ (386,270)
Financing and transfers:			
Transfer from current fund	\$ 375,500	\$ 247,924	\$ 352,976
Transfer from waterworks - Cobden	2,000	2,419	9,812
Transfer from waterworks - Beachburg	11,900	8,386	4,463
Transfer from waterworks - Haley	1,500	1,865	707
Transfer from Whitewater Region Public Library	17,000	16,921	1,379
Transfer from Cobden and District Recreation	8,000	38,030	
Transfer from reserves	90,000	79,540	
Total financing and transfers	\$ 505,900	\$ 395,085	\$ 369,337
Change in the capital fund balance during the year	\$ 8,000	\$ (52,325)	\$ (16,933)
Capital fund balance at the beginning of the year	(39,581)	(39,581)	(22,648)
Capital fund balance at the end of the year	\$ (31,581)	\$ (91,906)	\$ (39,581)

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater RegionConsolidated Statement of Cash Flows

For the year ended 31 December 2004
(with 2003 figures for comparison)

	<u>2004</u>	<u>2003</u>
Cash flows from operating activities:		
Net surplus for the year	\$ <u>59,143</u>	\$ <u>481,757</u>
Net change in non cash working capital balances related to operations:		
- decrease (increase) in taxes receivable	\$ 18,352	\$ (8,613)
- decrease (increase) in accounts receivable	288,593	(249,119)
- increase (decrease) in accounts payable and accrued liabilities	27,019	(103,493)
- increase (decrease) in deferred revenue	<u>1,136</u>	<u>(15,790)</u>
	\$ <u>335,100</u>	\$ <u>(377,015)</u>
Cash flows from operating activities	\$ <u>394,243</u>	\$ <u>104,742</u>
Cash flows from financing activities:		
Long term debt repaid	\$ <u>(24,000)</u>	\$ <u>(22,000)</u>
Net increase in cash and cash equivalents during the year	\$ 370,243	\$ 82,742
Cash and cash equivalents at the beginning of the year	<u>135,816</u>	<u>53,074</u>
Cash and cash equivalents at the end of the year	\$ <u><u>506,059</u></u>	\$ <u><u>135,816</u></u>
Comprised of:		
Cash	\$ 506,059	\$ 210,816
Temporary loans - current purposes	<u> </u>	<u>(75,000)</u>
	\$ <u><u>506,059</u></u>	\$ <u><u>135,816</u></u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater Region

Notes to the Financial Statements

For the year ended 31 December 2004

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 funds and their related operations administered by the Municipality are not consolidated, but are reported separately on the "Trust Funds 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.

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater RegionNotes to the Financial StatementsFor the year ended 31 December 2004

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	\$ 1,824,844	\$ 1,863,283
Share of payments in lieu of taxes	<u>23</u>	<u>27,487</u>
Total requisitions	<u>\$ 1,824,867</u>	<u>\$ 1,890,770</u>

3. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$ 25,472 (2003 - \$ 27,562) have not been included in the "Consolidated Balance Sheet" nor have their 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>2004</u>	<u>2003</u>
Parkland Reserve Fund	\$ 20,748	\$ 20,172
Water and Sewer Reserve Fund	<u>35,759</u>	<u>35,199</u>
	<u>\$ 56,507</u>	<u>\$ 55,371</u>

5. NET LONG TERM LIABILITIES

(a) The balance of net long term liabilities of \$ 54,000 (2003 - \$ 78,000) reported on the Consolidated Balance Sheet is made up of non-callable installment debentures, maturing 2005 and 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 RegionNotes to the Financial StatementsFor the year ended 31 December 2004

(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>2004</u>	<u>2003</u>
Principal	\$ 24,000	\$ 22,000
Interest	<u>6,373</u>	<u>8,132</u>
	<u>\$ 30,373</u>	<u>\$ 30,132</u>

(d) The net long term liabilities reported in (a) of this Note are repayable in 2005 and 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>2004</u>	<u>2003</u>
- for general reduction (increase) of taxation	\$ (18,650)	\$ 11,808
- for reduction of charges to benefitting landowners related to special areas as follows:		
- street lights	12,243	8,259
- sewage	<u>8,507</u>	<u>2,280</u>
	<u>\$ 2,100</u>	<u>\$ 22,347</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 2004 is \$ 182,168 (2003 - \$ 176,569) and is not recorded on the "Consolidated Balance Sheet".

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater Region

Page 12

Trust Funds Statement of Continuity

For the year ended 31 December 2004

(with 2003 figures for comparison)

	<u>2004</u>			<u>2003</u>
	<u>Municipal</u>	<u>Home</u>	<u>Total</u>	<u>Total</u>
	<u>Restructuring</u>	<u>Renewal</u>	<u>Trust</u>	<u>Trust</u>
	<u>Fund</u>	<u>Program</u>	<u>Funds</u>	<u>Funds</u>
Balance at the beginning of the year	\$ 5,780	\$ 21,782	\$ 27,562	\$ 62,927
Revenue:				
Ontario grant	\$ -			
Interest earned - at bank		\$ 54	\$ 54	
- on loans		7,697	7,697	\$ 61
	\$ -	\$ 7,751	\$ 7,751	\$ 61
Expenditure:				
Administration charges		\$ 829	\$ 829	\$ 231
Repayment to the Province of Ontario		3,232	3,232	1,017
Restructuring costs	\$ 5,780		5,780	34,178
	\$ 5,780	\$ 4,061	\$ 9,841	\$ 35,426
Balance at the end of the year	\$ -	\$ 25,472	\$ 25,472	\$ 27,562

Township of Whitewater Region

Trust Funds Balance Sheet

As at 31 December 2004

(with 2003 figures for comparison)

	<u>2004</u>			<u>2003</u>
	<u>Municipal</u>	<u>Home</u>	<u>Total</u>	<u>Total</u>
	<u>Restructuring</u>	<u>Renewal</u>	<u>Trust</u>	<u>Trust</u>
	<u>Fund</u>	<u>Program</u>	<u>Funds</u>	<u>Funds</u>
ASSETS				
Cash in bank	\$ -	\$ 15,556	\$ 15,556	\$ 8,306
Loans receivable (Notes 2 and 3)		10,745	10,745	18,550
Due from Canada				1,937
	\$ -	\$ 26,301	\$ 26,301	\$ 28,793
LIABILITIES AND FUND BALANCES				
Accounts payable	\$ -			\$ 1,000
Due to Township of Whitewater Region		\$ 829	\$ 829	231
Fund balances		25,472	25,472	27,562
	\$ -	\$ 26,301	\$ 26,301	\$ 28,793

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater Region

Trust Funds

Notes to the Financial Statements

For the year ended 31 December 2004

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 2004 comprise repayable loans of \$ 7,345 (2003 - \$ 15,150) and forgivable loans of \$ 3,400 (2003 - \$ 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 2004, the amount of \$ 14,727 must be returned to the Province by 1 March 2005.

3. LOANS RECEIVABLE

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

4. MUNICIPAL RESTRUCTURING FUND

The Municipality received a grant from the Province of Ontario to assist in the costs of amalgamating the Township of Westmeath, Village of Beachburg, Township of Ross and the Village of Cobden. The grant was used to fund the costs of amalgamation up to a maximum of \$ 426,000. The remaining costs were shared by the amalgamating municipalities in a ratio based on their taxable assessment. The restructuring fund was wound up during the year.

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater Region WaterworksBalance Sheet

As at 31 December 2004
(with 2003 figures for comparison)

	<u>2004</u>	<u>2003</u>
<u>ASSETS</u>		
Cash in bank	\$ 50,194	\$ 40,316
Due from Canada	5,240	1,710
Due from Province	393	393
Due from capital fund	85,258	24,934
Prepaid expenses	<u>235</u>	<u>353</u>
	<u>\$ 141,320</u>	<u>\$ 67,706</u>
 <u>LIABILITIES AND WATERWORKS POSITION</u>		
Accounts payable	\$ 3,994	\$ 2,115
Due to current fund	77,120	53,647
Net long term liabilities	<u>14,337</u>	<u>20,709</u>
	<u>\$ 95,451</u>	<u>\$ 76,471</u>
Waterworks position:		
Fund balances:		
Cobden	\$ 11,454	\$ (15,781)
Beachburg	9,918	(3,208)
Haley	5,264	6,483
Reserves	<u>33,570</u>	<u>24,450</u>
Total fund balances	\$ 60,206	\$ 11,944
Amounts to be recovered	<u>(14,337)</u>	<u>(20,709)</u>
Waterworks position	<u>\$ 45,869</u>	<u>\$ (8,765)</u>
	<u>\$ 141,320</u>	<u>\$ 67,706</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater Region Waterworks - Cobden

Statement of Revenue and Expenditure

For the year ended 31 December 2004

(with 2004 budget and 2003 actual figures for comparison)

	<u>Budget</u> <u>2004</u>	<u>Actual</u> <u>2004</u>	<u>Actual</u> <u>2003</u>
Revenue:			
Water service charges	\$ 203,040	\$ 210,298	\$ 180,674
Ontario Ministry of Agriculture			582
Other	2,400	1,303	2,400
Interest income	<u>2,000</u>	<u>1,049</u>	<u>1,239</u>
	<u>\$ 207,440</u>	<u>\$ 212,650</u>	<u>\$ 184,895</u>
Expenditure:			
Administration	\$ 17,562	\$ 17,435	\$ 17,594
Distribution:			
Salaries	14,500	18,860	10,966
Facility supplies, utilities and maintenance	28,500	26,787	33,658
Interest on long term debt	1,692	1,692	2,159
Transmission:			
Salaries	67,080	62,297	59,238
Facility supplies, utilities and maintenance	<u>48,850</u>	<u>44,597</u>	<u>43,398</u>
	<u>\$ 178,184</u>	<u>\$ 171,668</u>	<u>\$ 167,013</u>
Net surplus for the year	<u>\$ 29,256</u>	<u>\$ 40,982</u>	<u>\$ 17,882</u>
Financing and transfers:			
Debt principal repayments	\$ (6,372)	\$ (6,372)	\$ (5,841)
Transfer to capital fund	(2,000)	(2,419)	(9,812)
Transfer to reserves	<u>(4,956)</u>	<u>(4,956)</u>	<u>(9,396)</u>
Net financing and transfers	<u>\$ (13,328)</u>	<u>\$ (13,747)</u>	<u>\$ (25,049)</u>
Change in waterworks fund balance during the year	\$ 15,928	\$ 27,235	\$ (7,167)
Waterworks fund balance at the beginning of the year	<u>(15,781)</u>	<u>(15,781)</u>	<u>(8,614)</u>
Waterworks fund balance at the end of the year	<u>\$ 147</u>	<u>\$ 11,454</u>	<u>\$ (15,781)</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater Region Waterworks - BeachburgStatement of Revenue and ExpenditureFor the year ended 31 December 2004

(with 2004 budget and 2003 actual figures for comparison)

	<u>Budget 2004</u>	<u>Actual 2004</u>	<u>Actual 2003</u>
Revenue:			
Water service charges	\$ 151,164	\$ 152,320	\$ 138,409
Ontario Ministry of Agriculture			582
Other		<u>80</u>	
	<u>\$ 151,164</u>	<u>\$ 152,400</u>	<u>\$ 138,991</u>
Expenditure:			
Administration	\$ 22,282	\$ 22,586	\$ 23,496
Distribution:			
Salaries	4,610	4,441	4,589
Facility supplies, utilities and maintenance	4,100	5,276	5,515
Transmission:			
Salaries	63,800	60,002	57,026
Facility supplies, utilities and maintenance	<u>37,100</u>	<u>34,419</u>	<u>33,072</u>
	<u>\$ 131,892</u>	<u>\$ 126,724</u>	<u>\$ 123,698</u>
Net surplus for the year	<u>\$ 19,272</u>	<u>\$ 25,676</u>	<u>\$ 15,293</u>
Financing and transfers:			
Transfer to capital fund	\$ (11,900)	\$ (8,386)	\$ (4,463)
Transfer to reserves	<u>(4,164)</u>	<u>(4,164)</u>	<u>(4,164)</u>
Net financing and transfers	<u>\$ (16,064)</u>	<u>\$ (12,550)</u>	<u>\$ (8,627)</u>
Change in waterworks fund balance during the year	\$ 3,208	\$ 13,126	\$ 6,666
Waterworks fund balance at the beginning of the year	<u>(3,208)</u>	<u>(3,208)</u>	<u>(9,874)</u>
Waterworks fund balance at the end of the year	<u>\$ -</u>	<u>\$ 9,918</u>	<u>\$ (3,208)</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Township of Whitewater Region Waterworks - Haley

Statement of Revenue and Expenditure

For the year ended 31 December 2004

(with 2004 budget and 2003 actual figures for comparison)

	<u>Budget 2004</u>	<u>Actual 2004</u>	<u>Actual 2003</u>
Revenue:			
Water service charges	\$ 14,928	\$ 14,791	\$ 12,444
Ontario Ministry of Agriculture			<u>582</u>
	<u>\$ 14,928</u>	<u>\$ 14,791</u>	<u>\$ 13,026</u>
Expenditure:			
Administration	\$ 1,566	\$ 1,374	\$ 1,639
Distribution:			
Salaries	1,240	874	479
Facility supplies, utilities and maintenance	2,000	850	48
Transmission:			
Salaries	17,200	15,631	15,563
Facility supplies, utilities and maintenance	<u>13,300</u>	<u>10,811</u>	<u>12,989</u>
	<u>\$ 35,306</u>	<u>\$ 29,540</u>	<u>\$ 30,718</u>
Net deficit for the year	<u>\$ (20,378)</u>	<u>\$ (14,749)</u>	<u>\$ (17,692)</u>
Financing and transfers:			
Transfer to capital fund	\$ (1,500)	\$ (1,865)	\$ (707)
Transfer to reserves			(1,020)
Transfer from current fund	<u>15,395</u>	<u>15,395</u>	<u>23,424</u>
Net financing and transfers	<u>\$ 13,895</u>	<u>\$ 13,530</u>	<u>\$ 21,697</u>
Change in waterworks fund balance during the year	\$ (6,483)	\$ (1,219)	\$ 4,005
Waterworks fund balance at the beginning of the year	<u>6,483</u>	<u>6,483</u>	<u>2,478</u>
Waterworks fund balance at the end of the year	<u>\$ -</u>	<u>\$ 5,264</u>	<u>\$ 6,483</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

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:

2005	\$ 6,903
2006	<u>7,434</u>
	<u>\$ 14,337</u>

- (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.

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Cobden and District Recreation AssociationBalance Sheet

As at 31 December 2004
(with 2003 figures for comparison)

	<u>2004</u>	<u>2003</u>
<u>ASSETS</u>		
Cash on hand and in bank	\$ 26,439	\$ 22,615
Accounts receivable	<u>8,667</u>	<u>10,085</u>
	<u>\$ 35,106</u>	<u>\$ 32,700</u>
 <u>LIABILITIES AND RECREATION POSITION</u>		
Accounts payable		\$ 77
Due to Canada		2,182
Due to Municipality	<u>\$ 9,306</u>	<u>21,238</u>
	<u>\$ 9,306</u>	<u>\$ 23,497</u>
Recreation position:		
Recreation fund	\$ 19,491	\$ 2,894
Reserves	<u>6,309</u>	<u>6,309</u>
Recreation position	<u>\$ 25,800</u>	<u>\$ 9,203</u>
	<u>\$ 35,106</u>	<u>\$ 32,700</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Cobden and District Recreation AssociationStatement of Revenue and Expenditure

For the year ended 31 December 2004
(with 2004 budget and 2003 actual figures for comparison)

	<u>Budget 2004</u>	<u>Actual 2004</u>	<u>Actual 2003</u>
Accumulated net revenue (deficit) at the beginning of the yr	\$ <u>2,894</u>	\$ <u>2,894</u>	\$ <u>(2,708)</u>
Revenue:			
Other municipalities	\$ 1,000	\$ 1,000	\$ 1,000
Algonquin College	3,000	2,278	1,728
Facility rentals	130,750	115,979	117,794
Fund raising	<u>13,756</u>	<u>56,758</u>	<u>15,242</u>
	<u>\$ 148,506</u>	<u>\$ 176,015</u>	<u>\$ 135,764</u>
Expenditure:			
Administration	\$ 7,400	\$ 4,334	\$ 3,675
Maintenance of property and equipment	31,500	17,946	28,691
Salaries	64,500	63,288	61,640
Utilities	<u>50,000</u>	<u>45,820</u>	<u>46,156</u>
	<u>\$ 153,400</u>	<u>\$ 131,388</u>	<u>\$ 140,162</u>
Net surplus (deficit) for the year	\$ <u>(4,894)</u>	\$ <u>44,627</u>	\$ <u>(4,398)</u>
Financing and transfers:			
Transfer from current fund	\$ 10,000	\$ 10,000	\$ 10,000
Transfer to capital fund	<u>(8,000)</u>	<u>(38,030)</u>	<u> </u>
Net financing and transfers	<u>\$ 2,000</u>	<u>\$ (28,030)</u>	<u>\$ 10,000</u>
Change in recreation fund balance during the year	\$ <u>(2,894)</u>	\$ <u>16,597</u>	\$ <u>5,602</u>
Accumulated net revenue at the end of the year	<u>\$ -</u>	<u>\$ 19,491</u>	<u>\$ 2,894</u>

(See accompanying notes)
MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Cobden and District Recreation Association

Notes to the Financial Statements

For the year ended 31 December 2004

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.

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Whitewater Region Public Library BoardBalance Sheet

As at 31 December 2004
(with 2003 figures for comparison)

	<u>2004</u>	<u>2003</u>
<u>ASSETS</u>		
Cash on hand and in bank	\$ 13,037	\$ 26,647
Term deposits	5,000	5,000
Due from Ontario	489	
Due from Canada	2,583	
Due from Whitewater Historical Society	<u>682</u>	
	<u>\$ 21,791</u>	<u>\$ 31,647</u>
 <u>LIABILITIES AND LIBRARY POSITION</u>		
Accounts payable	\$ -	\$ 1,200
Due to Canada		407
Due to Ontario Trillium Foundation		9,000
Due to Municipality		<u>119</u>
	<u>\$ -</u>	<u>\$ 10,726</u>
Library position:		
Library fund	\$ 21,791	\$ 20,154
Reserve fund (Note 2)		<u>767</u>
Library position	<u>\$ 21,791</u>	<u>\$ 20,921</u>
	<u>\$ 21,791</u>	<u>\$ 31,647</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Whitewater Region Public Library BoardStatement of Revenue and Expenditure

For the year ended 31 December 2004
(with 2003 figures for comparison)

	<u>2004</u>	<u>2003</u>
Accumulated net revenue at the beginning of the year	\$ <u>20,154</u>	\$ <u>18,895</u>
Revenue:		
Grants from the Province of Ontario - operating	\$ 13,517	\$ 13,517
- pay equity	2,278	2,278
- Ontario Trillium Foundation	9,000	
- Sustainability	12,000	
Ontario Library Association	1,236	2,524
Fines and sale of books	2,214	2,799
Investment income	78	198
Donations and fundraising	<u>6,148</u>	<u>5,496</u>
	\$ <u>46,471</u>	\$ <u>26,812</u>
Expenditure:		
Audit		\$ 172
Bank charges	\$ 241	299
Books and videos	13,486	9,221
Insurance	806	729
Postage, telephone and internet	5,199	4,174
Rent	2,400	2,400
Salaries	35,117	34,895
Supplies	3,096	4,586
Utilities	<u>1,396</u>	<u>1,710</u>
	\$ <u>61,741</u>	\$ <u>58,186</u>
Net deficit for the year	\$ <u>(15,270)</u>	\$ <u>(31,374)</u>
Financing and transfers:		
Transfer from current fund	\$ 33,061	\$ 30,928
Transfer from reserve fund	767	3,084
Transfer to capital fund	<u>(16,921)</u>	<u>(1,379)</u>
Net financing and transfers	\$ <u>16,907</u>	\$ <u>32,633</u>
Change in library fund balance during the year	\$ <u>1,637</u>	\$ <u>1,259</u>
Accumulated net revenue at the end of the year	\$ <u><u>21,791</u></u>	\$ <u><u>20,154</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 2004

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.

2. RESERVE FUND

The reserve fund represents the balance of the Federal Community Access Program which was set up as an internally restricted reserve fund. The program was completed in 2004 and the reserve fund closed.

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Whitewater Historical SocietyBalance Sheet

As at 31 December 2004
(with 2003 figures for comparison)

	<u>2004</u>	<u>2003</u>
<u>ASSETS</u>		
Cash on hand and in bank	\$ 14,814	\$ 12,545
Due from Canadian Heritage	<u> </u>	<u>500</u>
	<u>\$ 14,814</u>	<u>\$ 13,045</u>
 <u>LIABILITIES AND ACCUMULATED NET REVENUE</u>		
Current liabilities:		
Due to the Ontario Trillium Foundation		\$ 1,530
Due to the Whitewater Public Library	\$ <u>682</u>	<u> </u>
	\$ 682	\$ 1,530
Accumulated net revenue	<u>14,132</u>	<u>11,515</u>
	<u>\$ 14,814</u>	<u>\$ 13,045</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Whitewater Historical SocietyStatement of Revenue and Expenditure

For the year ended 31 December 2004
(with 2003 figures for comparison)

	<u>2004</u>	<u>2003</u>
Accumulated net revenue at the beginning of the year	\$ 11,515	\$ 7,430
Revenue:		
Canadian Heritage grant		\$ 5,000
Government of Canada	\$ 2,445	
Ontario Trillium Foundation grant	1,530	7,870
Ontario Ministry of Culture grant	1,909	1,800
Fund raising and donations	5,574	4,193
Interest income	13	1
	<u>\$ 11,471</u>	<u>\$ 18,864</u>
Expenditure:		
Building maintenance	\$ 572	\$ 532
Office, advertising and supplies	2,799	6,138
Salaries	2,533	1,739
St. Aidan's Church project	788	
Trillium grant expenditures	1,754	7,870
Utilities	4,229	2,239
	<u>\$ 12,675</u>	<u>\$ 18,518</u>
Net surplus (deficit) for the year	\$ (1,204)	\$ 346
Financing and transfers:		
Transfer from current fund	<u>3,821</u>	<u>3,739</u>
Change in Historical Society fund balance during the year	\$ 2,617	\$ 4,085
Accumulated net revenue at the end of the year	<u>\$ 14,132</u>	<u>\$ 11,515</u>

(See accompanying notes)

MACKILLICAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Whitewater Historical Society

Notes to the Financial Statements

For the year ended 31 December 2004

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.

2. During the year the Historical Society received approval from the Province of Ontario to change its name from the Ross Historical Society to the Whitewater Historical Society to agree with the Township's name change at the time of amalgamation.