



Financial Statements

Elliot Lake Mining and Nuclear Museum

December 31, 2007

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Grant Thornton

Auditors' report

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To the Members of the Elliot Lake Mining and Nuclear Museum Advisory Board
Members of Council, Inhabitants and Ratepayers of
The Corporation of the City of Elliot Lake

We have audited the statement of financial activities of the Elliot Lake Mining and Nuclear Museum as at December 31, 2007. This financial statement is the responsibility of the Corporation of the City of Elliot Lake's management. Our responsibility is to express an opinion on this financial statement 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 disclosure 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 similar organizations, the Museum derives revenue from admissions, 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 Museum and we were not able to determine whether any adjustments might be necessary to admissions revenue or excess of expenditures over revenue.

In our opinion, except for the effect of adjustments, if any, which we have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the admissions revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the results of the Museum's financial activities for the year ended December 31, 2007 in accordance with Canadian generally accepted accounting principles.

Budget figures are provided for comparative purposes and have not been subject to audit procedures. Accordingly, we do not express an opinion on the budget figures.

Sault Ste. Marie, Ontario

April 17, 2008

Grant Thornton LLP

Chartered accountants

Licensed public accountants

Elliot Lake Mining and Nuclear Museum

Statement of Financial Activities

For the Year Ended December 31	Budget (unaudited)	2007	2006
Revenue			
Province of Ontario grants	\$ 9,870	\$ 13,587	\$ 5,612
Other grant	2,500	4,977	1,120
Admissions and souvenirs	14,616	10,178	10,878
Miscellaneous	<u>4,900</u>	<u>2,641</u>	<u>6,463</u>
	<u>31,886</u>	<u>31,383</u>	<u>24,073</u>
Expenditures			
Salaries and benefits	76,213	68,934	65,595
Office supplies	3,000	4,120	2,513
Equipment supplies	500	307	-
Telephone	750	659	801
Conferences and travel	1,775	60	-
Advertising	2,000	3,126	2,185
Sundry	12,400	18,883	15,973
Insurance	825	310	500
Rent	30,000	30,000	29,887
Memberships	315	250	310
Administration	8,100	6,217	9,568
Professional fees	<u>1,300</u>	<u>1,600</u>	<u>1,500</u>
	<u>137,178</u>	<u>134,466</u>	<u>128,832</u>
Excess of expenditures over revenue, being municipal contribution	<u>\$ 105,292</u>	<u>\$ 103,083</u>	<u>\$ 104,759</u>

See accompanying notes to the financial statements.

Elliot Lake Mining and Nuclear Museum

Notes to the Financial Statement

For the Year Ended December 31, 2007

1. Significant accounting policies

The financial statement of the Elliot Lake Mining and Nuclear Museum is prepared by management 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 Board are as follows:

(a) Reporting entity

The financial statements reflect the revenues and expenditures of the reporting entity.

(b) Basis of accounting

The basis of accounting followed in the financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenditures in the period the goods and services are acquired.

(c) Capital assets

The historical cost and accumulated depreciation for capital assets are not reported for municipal purposes. Capital assets are reported as an expenditure on the Statement of Financial Activities in the year of acquisition.

(d) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. Pension agreements

The Municipality makes contributions to the Ontario Municipal Employees' Retirement Fund (OMERS), which is a multi-employer plan, on behalf of one member of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Commencing January 1, 2007 contribution rates ranged from 6.5% to 9.6% depending on the proposed retirement age and the level of earnings. As a result \$2,297 (2006: \$3,282) was contributed to OMERS.

Elliot Lake Mining and Nuclear Museum

Notes to the Financial Statements

For the Year Ended December 31, 2007

3. Tangible capital assets

Transitional provisions

Effective January 1, 2007, The Elliot Lake Mining and Nuclear Museum adopted Accounting Guideline 7 (PSG-7) of the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants ("CICA") with respect to the disclosure of tangible capital assets of local governments. PSG-7 provides transitional guidance on presenting information related to tangible capital assets until Section 3150 - Tangible Capital Assets of the Public Sector Accounting Handbook comes into effect on January 1, 2009.

During 2007, the Museum, through work done by the City of Elliot Lake, continued to work towards compliance with the new recommendations for accounting for tangible capital assets. As of December 31, 2007, the City of Elliot Lake has obtained a listing and values for all significant asset classes related to the Museum. The process of determining the accumulated amortization is currently underway and is expected to be completed by December 31, 2008.