



Financial Statements

**The Corporation of the City of Elliot Lake Care
and Maintenance Trust Fund**

December 31, 2012

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Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the City of Elliot Lake
Care and Maintenance Trust Fund

We have audited the accompanying financial statements of the City of Elliot Lake Care and Maintenance Trust Fund, which comprise the statement of financial position as at December 31, 2012, and the statement of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust Funds' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust Funds' internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Corporation of the City of Elliot Lake Care and Maintenance Trust Fund as at December 31, 2012, and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Sault Ste. Marie, Canada

May 13, 2013

Grant Thornton LLP

Chartered accountants
Licensed public accountants

**The Corporation of the City of Elliot Lake
Care and Maintenance Trust Fund
Statement of Financial Position**

As at December 31	2012	2011
Assets		
Cash	\$ 62,931	\$ 70,051
Investments	181,497	174,348
Due from the City of Elliot Lake	<u>113</u>	<u>-</u>
Total financial assets	244,541	244,399
Liabilities		
Due to the City of Elliot Lake	<u>-</u>	<u>7,919</u>
Net financial assets and accumulated surplus	<u>\$ 244,541</u>	<u>\$ 236,480</u>

See accompanying notes to the financial statements.

**The Corporation of the City of Elliot Lake
Care and Maintenance Trust Fund
Statement of Operations and Accumulated Surplus**

For the Year Ended December 31

2012

2011

Revenue

Contribution from the City of Elliot Lake	\$	8,061	\$	7,443
Interest earned		<u>7,949</u>		<u>7,920</u>
		<u>16,010</u>		<u>15,363</u>

Expenses

Contribution to the City of Elliot Lake		<u>7,949</u>		<u>7,920</u>
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Annual surplus

		8,061		7,443
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Accumulated surplus

Beginning of the year		<u>236,480</u>		<u>229,037</u>
End of the year	\$	<u>244,541</u>	\$	<u>236,480</u>

See accompanying notes to the financial statements.

**The Corporation of the City of Elliot Lake
Care and Maintenance Trust Fund
Statement of Changes in Net Financial Assets**

For the Year Ended December 31	2012	2011
Annual surplus	\$ 8,061	\$ 7,443
Net financial assets		
Beginning of the year	<u>236,480</u>	<u>229,037</u>
End of the year	<u>\$ 244,541</u>	<u>\$ 236,480</u>

See accompanying notes to the financial statements.

**The Corporation of the City of Elliot Lake
Care and Maintenance Trust Fund
Statement of Cash Flows**

For the Year Ended December 31

2012

2011

Increase (decrease) in cash

Operating transactions

Annual surplus \$ **8,061** \$ 7,443

Changes in non-cash working capital items

Change in due to/from City of Elliot Lake **(8,032)** 372

Cash provided by operating transactions

29 7,815

Investing transactions

Increase in investments **(7,149)** (7,150)

Net change in cash

(7,120) 665

Cash

Beginning of the year **70,051** 69,386

End of the year **\$ 62,931** \$ 70,051

See accompanying notes to the financial statements.

The Corporation of the City of Elliot Lake Care and Maintenance Trust Fund Notes to the Financial Statements

For the Year Ended December 31, 2012

1. Significant accounting policies

The financial statements of The Corporation of the City of Elliot Lake Care and Maintenance Trust Fund are prepared in accordance with public sector accounting standards. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Reporting entity

The financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity.

(b) Basis of accounting

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

(c) 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 expenses during the reporting period. Actual results could differ from those estimates.

(d) Revenue recognition

Contribution from the municipality is recognized when received. Interest is recognized when earned.

2. Cash

Cash is represented by funds on deposit in chartered banks, plus accrued interest.

3. Investments

Trust fund investments of \$181,497 (2011 - \$174,348) have an estimated market value of \$186,079 (2011 - \$181,955). Investments consist of Canadian federal, provincial and municipal bonds and bank guaranteed investment certificates.