



Financial Statements

Elliot Lake Mining and Nuclear Museum

December 31, 2009

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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 position of the Elliot Lake Mining and Nuclear Museum as at December 31, 2009 and the statements of operations, accumulated surplus, changes in net financial assets and cash flows for the year then ended. These financial statements are the responsibility of the Corporation of the City of Elliot Lake'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 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 accumulated surplus.

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 financial position of the Museum as at December 31, 2009 and the results of its operations and cash flows for the year then ended 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

March 12, 2010

Grant Thornton LLP
Chartered accountants
Licensed public accountants

Elliot Lake Mining and Nuclear Museum Statement of Financial Position

| December 31 | 2009 | 2008 |
|----------------------------------|------------------|------------------|
| Financial assets | | |
| Due from City of Elliot Lake | \$ 6,418 | \$ 19,175 |
| Liabilities | | |
| Accrued expenses | <u>1,306</u> | <u>-</u> |
| Net financial assets | 5,112 | 19,175 |
| Non-financial assets | | |
| Tangible capital assets (Note 3) | <u>21,038</u> | <u>21,863</u> |
| Accumulated Surplus | <u>\$ 26,150</u> | <u>\$ 41,038</u> |

On behalf of the Board

See accompanying notes to the financial statements.

Elliot Lake Mining and Nuclear Museum

Statement of Operations

| Year Ended December 31 | Budget (unaudited) | 2009 | 2008 |
|------------------------------------|-----------------------|------------------|------------------|
| Revenue | | | |
| Municipal contribution - operating | \$ 112,375 | \$ 120,111 | \$ 109,913 |
| Municipal contribution – capital | 5,000 | 5,000 | - |
| Province of Ontario grants | 4,000 | 13,587 | 13,587 |
| Other grant | 5,960 | 2,922 | 2,450 |
| Admissions and souvenirs | 8,325 | 9,225 | 13,776 |
| Miscellaneous | 2,900 | 2,689 | 3,874 |
| | <u>138,560</u> | <u>153,534</u> | <u>143,600</u> |
| Expenditures | | | |
| Salaries and benefits | 72,040 | 88,005 | 71,050 |
| Office supplies | 3,000 | 4,288 | 6,554 |
| Equipment supplies | 500 | - | - |
| Telephone | 950 | 988 | 1,228 |
| Conferences and travel | 1,650 | 205 | 811 |
| Advertising | 3,500 | 3,246 | 3,703 |
| Sundry | 11,300 | 11,682 | 21,722 |
| Insurance | 850 | 854 | - |
| Rent | 30,000 | 30,000 | 30,000 |
| Repairs and maintenance | 25,000 | 19,063 | - |
| Memberships | 620 | 545 | 605 |
| Administration | 7,850 | 7,421 | 6,627 |
| Amortization | - | 825 | 825 |
| Professional fees | 1,300 | 1,300 | 1,300 |
| | <u>158,560</u> | <u>168,422</u> | <u>144,425</u> |
| Annual deficit | <u>\$ (20,000)</u> | (14,888) | (825) |
| Opening accumulated surplus | | <u>41,038</u> | <u>41,863</u> |
| Ending accumulated surplus | | <u>\$ 26,150</u> | <u>\$ 41,038</u> |

See accompanying notes to the financial statement.

Elliot Lake Mining and Nuclear Museum Statement of Accumulated Surplus

Year Ended December 31

2009

2008

Consists of:

Surpluses

| | | |
|-------------------------------------|-------------------------|-------------------------|
| Invested in tangible capital assets | \$ 21,038 | \$ 21,863 |
| General fund | (14,888) | (825) |
| Unexpended capital | <u>20,000</u> | <u>20,000</u> |
| Total surpluses | <u>26,150</u> | <u>41,038</u> |
| | | |
| Accumulated surplus | <u>\$ 26,150</u> | <u>\$ 41,038</u> |

See accompanying notes to the financial statement.

Elliot Lake Mining and Nuclear Museum Statement of Changes in Net Financial Assets

| Year Ended December 31 | Budget (unaudited) | 2009 | 2008 |
|---|-----------------------|-----------------|------------------|
| Annual deficit) | \$ (20,000) | \$ (14,888) | \$ (825) |
| Amortization of tangible capital assets | <u>-</u> | <u>825</u> | <u>825</u> |
| Change in net financial assets | <u>(20,000)</u> | <u>(14,063)</u> | <u>-</u> |
| Net financial assets, beginning of year | | <u>19,175</u> | <u>19,175</u> |
| Net financial assets, end of year | | <u>\$ 5,112</u> | <u>\$ 19,175</u> |

See accompanying notes to the financial statements.

Elliot Lake Mining and Nuclear Museum Statement of Cash Flows

Year Ended December 31

2009

2008

Cash flows from operating transactions

| | | |
|----------------|-------------|----------|
| Annual deficit | \$ (14,888) | \$ (825) |
|----------------|-------------|----------|

Non-cash charges to operations

| | | |
|--------------|-----|-----|
| Amortization | 825 | 825 |
|--------------|-----|-----|

| | | |
|----------------------------------|--------|---|
| Due from the City of Elliot Lake | 12,757 | - |
|----------------------------------|--------|---|

| | | |
|-----------------------|--------------|----------|
| Payables and accruals | <u>1,306</u> | <u>-</u> |
|-----------------------|--------------|----------|

| | | |
|--------------------|---|---|
| Net change in cash | - | - |
|--------------------|---|---|

| | | |
|-------------------------|----------|----------|
| Cash, beginning of year | <u>-</u> | <u>-</u> |
|-------------------------|----------|----------|

| | | |
|-------------------|-------------|-------------|
| Cash, end of year | <u>\$ -</u> | <u>\$ -</u> |
|-------------------|-------------|-------------|

See accompanying notes to the financial statements.

Elliot Lake Mining and Nuclear Museum

Notes to the Financial Statements

December 31, 2009

1. Significant accounting policies

The financial statements of the Elliot Lake Mining and Nuclear Museum are 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:

Reporting entity

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

Basis of accounting

Effective January 1, 2009, the Elliot Lake Mining and Nuclear Museum adopted CICA Public Sector Handbook Section 1200 Financial Statement Presentation and Section 3150 Tangible Capital Assets. As a result of these changes, the Museum has recorded its tangible capital assets for 2009 with prior year information restated to conform with the current year presentation. In addition, the statements reflect the new Statement of Changes in Net Financial Assets and Statement of Accumulated Surplus.

Accrual accounting

Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt. The cost, less residual value of the tangible capital assets, is amortized on a straight-line basis over their estimated useful lives as follows:

| | |
|--------------------------------|----------|
| Parks infrastructure equipment | 40 years |
|--------------------------------|----------|

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Revenue recognition

Government grants are recognized when approved to the extent the related expenditures have been incurred and collection can be reasonably assured.

Admissions and other revenues are recognized when the services are performed or goods are delivered and there is reasonable assurance of collection.

Elliot Lake Mining and Nuclear Museum

Notes to the Financial Statements

December 31, 2009

1. Significant accounting policies (continued)

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.

Budget figures

The budget approved by the Museum Board for 2009 is reflected on the statement of operations. Budget figures have been restated to be comparable with the PSAB reporting reflected in the actual results. These figures are unaudited.

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.

Contribution rates ranged from 6.5% to 9.6% depending on the proposed retirement age and the level of earnings. As a result, \$3,266 (2008: \$2,713) was contributed to OMERS.

3. Tangible capital assets

2009

2008

The following classifies the tangible capital assets by object:

| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>Net Book Value</u> | <u>Net Book Value</u> |
|--------------------------------|------------------|-------------------------------------|---------------------------|---------------------------|
| Parks Infrastructure equipment | \$ <u>33,000</u> | \$ <u>11,962</u> | \$ <u>21,038</u> | \$ <u>21,863</u> |

The Museum did not acquire any additional assets in 2009. It recorded amortization expense of \$825 (2008: \$825) on the parks infrastructure equipment assets in the current year.