



Financial Statements

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

December 31, 2011

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## Independent auditors' 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, 2011, 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.

### **Auditors' 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.



# Grant Thornton

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, 2011, 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, Ontario

My 14, 2012

*Grant Thornton LLP*

Chartered accountants

Licensed public accountants

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

As at December 31	2011	2010
<b>Assets</b>		
Cash	\$ 70,051	\$ 69,386
Investments	<u>174,348</u>	<u>167,198</u>
<b>Total financial assets</b>	<b>244,399</b>	<b>236,584</b>
<b>Liabilities</b>		
Payable to municipality	<u>7,919</u>	<u>7,547</u>
<b>Net financial assets and accumulated surplus</b>	<b><u>\$ 236,480</u></b>	<b><u>\$ 229,037</u></b>

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See accompanying notes to the financial statements.

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**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

2011

2010

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**Revenue**

Contribution from municipality	\$ 7,443	\$ 12,978
Interest earned	<u>7,920</u>	<u>7,547</u>
	<u>15,363</u>	<u>20,525</u>

**Expenditure**

Contribution to municipality	<u>7,920</u>	<u>7,547</u>
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**Annual surplus**

7,443 12,978

Opening accumulated surplus

229,037 216,059

Ending accumulated surplus

\$ 236,480 \$ 229,037

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See accompanying notes to the financial statements.

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**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	2011	2010
Annual surplus	\$ 7,443	\$ 12,978
Net financial assets at the beginning of year	<u>229,037</u>	<u>216,059</u>
Net financial assets at the end of year	<u>\$ 236,480</u>	<u>\$ 229,037</u>

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See accompanying notes to the financial statements.

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

For the Year Ended December 31

2011

2010

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## Cash flows from operating transactions

<b>Annual surplus</b>	\$ 7,443	\$ 12,978
<b>Non-cash charges to operations</b>		
Increase in payable to municipality	<u>372</u>	<u>1,169</u>
<b>Cash provided by operating transactions</b>	<u>7,815</u>	<u>14,147</u>
<b>Investing transactions</b>		
Increase in investments	<u>(7,150)</u>	<u>(7,110)</u>
<b>Net change in cash</b>	665	7,037
<b>Cash, beginning of year</b>	<u>69,386</u>	<u>62,349</u>
<b>Cash, end of year</b>	<u>\$ 70,051</u>	<u>\$ 69,386</u>

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See accompanying notes to the financial statements.



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

For the Year Ended December 31, 2011

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## 1. Significant accounting policies

The financial statements of The Corporation of the City of Elliot Lake Care and Maintenance Trust Fund 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:

### (a) Reporting entity

The financial statements reflect the assets, liabilities, revenues and expenditures 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 expenditures 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 expenditures 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.

### (e) Investment

Investments are carried at cost, which approximates market value.

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## 2. Cash

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