



Financial Statements of the

**CORPORATION OF THE
TOWNSHIP OF ST. CLAIR
TRUST FUNDS**

December 31, 2006



Collins Barrow

Chartered Accountants

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AUDITORS' REPORT

To the Members of Council, Inhabitants and Taxpayers of the Corporation of the Township of St. Clair

We have audited the Statement of Financial Position of the **Trust Funds of the Corporation of the Township of St. Clair**, comprised of the Bradshaw Cemetery, Waterwell Contamination Deposits and St. Clair River Trail as at December 31, 2006 and the Statement of Financial Activity of the trust funds for the year then ended. These financial statements are the responsibility of the Township'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 disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The trust funds derive a portion of their revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the trust funds and we were not able to determine whether any adjustments might be necessary to donation revenue.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to verify donations satisfactorily as explained in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Trust Funds of the Corporation of the Township of St. Clair as at December 31, 2006 and the financial activity for the year then ended in accordance with the accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Collins Barrow KMD LLP

London, Canada
April 12, 2007

LICENSED PUBLIC ACCOUNTANTS

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**CORPORATION OF THE TOWNSHIP OF ST. CLAIR
TRUST FUNDS**

Statement of Financial Position

December 31, 2006

	Bradshaw Cemetery	Waterwell Contamination Deposits	St. Clair River Trail	2006 Total	2005 Total
FINANCIAL ASSETS					
Cash and term deposits		\$ 35,000	\$ 262,128	\$ 297,128	\$ 151,820
Accounts Receivable		888	3,339	4,227	93
Due from the Township of St. Clair	32,494			32,494	66,139
	\$ 32,494	\$ 35,888	\$ 265,467	\$ 333,849	\$ 218,052
FUND BALANCES AT END OF YEAR	\$ 32,494	\$ 35,888	\$ 265,467	\$ 333,849	\$ 218,052
	\$ 32,494	\$ 35,888	\$ 265,467	\$ 333,849	\$ 218,052

**CORPORATION OF THE TOWNSHIP OF ST. CLAIR
TRUST FUNDS**

Statement of Financial Activities

Year ended December 31, 2006

	Bradshaw Cemetery	Waterwell Contamination Deposits	St. Clair River Trail	2006 Total	2005 Total
FUND BALANCES AT THE BEGINNING OF YEAR	\$ 31,139	\$ 35,000	\$ 151,913	\$ 218,052	\$ 186,431
REVENUE					
Donations			64,472	64,472	22,548
Municipal Contribution			96,478	96,478	
Fundraising & Fees	2,485		10,569	13,054	15,249
Interest earned	1,245	1,493	3,443	6,181	3,857
	<u>3,730</u>	<u>1,493</u>	<u>174,962</u>	<u>180,185</u>	<u>41,654</u>
EXPENDITURE					
Payment to trust settlers		545		545	619
Administration fees		60		60	69
Fundraising				-	2,082
Other Expenses	2,375			2,375	2,000
Office and campaign cost			5,413	5,413	542
Engineering & Construction			55,995	55,995	4,721
	<u>2,375</u>	<u>605</u>	<u>61,408</u>	<u>64,388</u>	<u>10,033</u>
CHANGE IN NET FINANCIAL POSITION	<u>1,355</u>	<u>888</u>	<u>113,554</u>	<u>115,797</u>	<u>31,621</u>
FUND BALANCES AT END OF YEAR	\$ <u>32,494</u>	\$ <u>35,888</u>	\$ <u>265,467</u>	\$ <u>333,849</u>	\$ <u>218,052</u>

CORPORATION OF THE TOWNSHIP OF ST. CLAIR TRUST FUNDS

Notes to the Financial Statements

Year ended December 31, 2006

1. ACCOUNTING POLICY

The financial statements of the trust funds are the representation of the management of the Corporation of the Township of St. Clair prepared in accordance with accounting principles prescribed for Ontario municipalities by the Ministry of Municipal Affairs. 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 judgements.

Accrual accounting

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. NATURE OF TRUSTS

- **Water Well Contamination Deposits**

A trust established to provide immediate financial support in the event of water well contamination within a designated area of the Township. Interest earned on the capital is distributed to the municipality and the settlers.

- **St. Clair River Trail**

A trust established to hold funds on behalf of the community to be employed in the development of a trail system following the St. Clair River, the length of the Township.