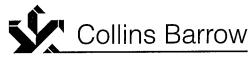


Financial Statements of the

# CORPORATION OF THE TOWNSHIP OF ST. CLAIR TRUST FUNDS

December 31, 2006



Chartered Accountants

495 Richmond Street Suite 700 P.O. Box 5005 London, Ontario, Canada N6A 5G4

#### **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.

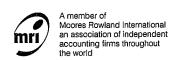
The trust funds derive a portion of their revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the trust funds and we were not able to determine whether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

London, Canada April 12, 2007

LICENSED PUBLIC ACCOUNTANTS

Collins Barrow KMD LLP



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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

FUND BALANCES AT THE BEGINNING OF YEAR		Bradshaw Cemetery		Waterwell Contamination Deposits		St. Clair River Trail		2006 Total	2005 Total	
		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	
		3,730		1,493		174,962		180,185	41,654	
EXPENDITURE										
Payment to trust settlors				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	
		2,375		605		61,408		64,388	10,033	
CHANGE IN NET FINANCIAL POSITION		1,355		888		113,554		115,797	31,621	
FUND BALANCES AT END OF YEAR	\$	32,494	\$	35,888	\$	265,467	\$	333,849 \$	218,052	

## 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 settlors.

• 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.