

**CORPORATION OF THE TOWNSHIP OF ESSA**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

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## AUDITORS' REPORT

### TO THE MEMBERS OF COUNCIL, INHABITANTS AND RATEPAYERS OF THE CORPORATION OF THE TOWNSHIP OF ESSA

We have audited the consolidated statement of financial position of the Corporation of the Township of Essa as at December 31, 2006 and the consolidated statements of financial activities and changes in financial position 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.

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 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 our opinion, these consolidated financial statements, present fairly, in all material respects, the financial position of the Township as at December 31, 2006 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

*Collins Barrow Kawarthas*

Chartered Accountants  
Licensed Public Accountants

Lindsay, Ontario  
May 3, 2007

## CORPORATION OF THE TOWNSHIP OF ESSA

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**At December 31, 2006**

	2006 \$	2005 \$
<b>ASSETS</b>		
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	5,376,828	9,196,947
Taxes receivable	1,290,753	1,113,310
Trade and other receivables	2,395,739	2,255,006
Other assets	4,348	2,900
Long term receivables (Note 4)	350,136	436,190
<b>TOTAL ASSETS</b>	<b>9,417,804</b>	<b>13,004,353</b>
<b>LIABILITIES AND MUNICIPAL POSITION</b>		
<b>LIABILITIES</b>		
Temporary advances (Notes 7 and 8)	165,994	5,195,494
Accounts payable and accrued liabilities	1,579,812	2,138,251
Other liabilities	682,402	488,601
Deferred revenue - other	372,564	289,134
Deferred revenue - obligatory reserve funds (Note 5)	4,227,620	3,591,746
Employee future benefits payable (Note 3)	385,116	402,942
Long term debt (Note 6)	8,641,523	3,899,140
<b>TOTAL LIABILITIES</b>	<b>16,055,031</b>	<b>16,005,308</b>
<b>MUNICIPAL POSITION</b>		
Fund Balances (Note 8)		
Current fund	304,738	3,594
Capital fund	(5,117,857)	(5,878,252)
Reserves and reserve funds (see Schedule page 14)	7,202,531	7,175,785
	2,389,412	1,301,127
Amounts To Be Recovered (Note 10)	(9,026,639)	(4,302,082)
<b>TOTAL MUNICIPAL POSITION</b>	<b>(6,637,227)</b>	<b>(3,000,955)</b>
<b>TOTAL LIABILITIES AND MUNICIPAL POSITION</b>	<b>9,417,804</b>	<b>13,004,353</b>

The accompanying notes are an integral part of this financial statement.

## CORPORATION OF THE TOWNSHIP OF ESSA

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For The Year Ended December 31, 2006

	Budget 2006 \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>			
Taxation	6,674,559	6,644,949	6,691,226
User charges	3,286,485	3,371,367	3,215,967
Province of Ontario	2,099,581	2,086,593	2,311,564
Government of Canada	9,342	18,966	673,484
Other municipalities	337,792	287,780	294,141
Penalties and interest on taxes	150,000	169,683	151,234
Investment income	202,200	412,535	282,814
Development charges earned	1,318,773	1,984,448	3,619,721
Sale of land	732,000	230,565	6,694
<b>TOTAL REVENUES</b>	<b>14,810,732</b>	<b>15,206,886</b>	<b>17,246,845</b>
<b>EXPENDITURES</b>			
General government	1,002,195	1,006,899	937,945
Protection services	3,357,980	3,175,991	2,988,190
Transportation services	4,745,376	4,426,921	5,187,503
Environmental services	8,765,977	7,541,502	10,002,471
Health services	3,000	-	3,603
Social and family services	15,266	14,143	17,917
Recreation and cultural services	2,363,894	2,396,492	1,603,947
Planning and development	267,447	281,210	311,971
<b>TOTAL EXPENDITURES</b>	<b>20,521,135</b>	<b>18,843,158</b>	<b>21,053,547</b>
<b>NET REVENUES/(EXPENDITURES)</b>	<b>(5,710,403)</b>	<b>(3,636,272)</b>	<b>(3,806,702)</b>
<b>INCREASE (DECREASE) IN AMOUNTS TO BE RECOVERED</b>			
Long term debt issued	5,029,500	5,029,500	-
Long term debt repaid	(287,117)	(287,117)	(227,860)
Employee future benefits payable	-	(17,826)	109,704
	4,742,383	4,724,557	(118,156)
<b>INCREASE (DECREASE) IN FUND BALANCES</b>	<b>(968,020)</b>	<b>1,088,285</b>	<b>(3,924,858)</b>
<b>OPENING FUND BALANCES</b>	<b>1,301,127</b>	<b>1,301,127</b>	<b>5,225,985</b>
<b>CLOSING FUND BALANCES</b>	<b>333,107</b>	<b>2,389,412</b>	<b>1,301,127</b>

The accompanying notes are an integral part of this financial statement.

## CORPORATION OF THE TOWNSHIP OF ESSA

## CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

For The Year Ended December 31, 2006

	2006 \$	2005 \$
<b>OPERATIONS</b>		
Net revenues/(expenditures)	(3,636,272)	(3,806,702)
Sources (Uses):		
(Increase) in taxes receivable	(177,443)	(19,708)
(Increase) in trade and other receivables	(140,733)	(1,384,554)
(Increase) decrease in other assets	(1,448)	10,863
Decrease in long term receivables	86,054	153,277
Increase (decrease) in accounts payable and accrued liabilities	(558,439)	1,631,603
Increase in other liabilities	193,801	63,785
Increase in deferred revenue - other	83,430	121,921
Increase (decrease) in deferred revenue - obligatory reserve funds	635,874	(178,392)
Increase (decrease) in employee future benefits payable	(17,826)	109,704
Net increase (decrease) in cash from operations	(3,533,002)	(3,298,203)
<b>FINANCING</b>		
Long term debt issued	5,029,500	-
Long term debt repaid	(287,117)	(227,860)
	4,742,383	(227,860)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>1,209,381</b>	<b>(3,526,063)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>4,001,453</b>	<b>7,527,516</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>5,210,834</b>	<b>4,001,453</b>
<b>REPRESENTED BY:</b>		
Cash	5,376,828	9,196,947
Temporary advances	(165,994)	(5,195,494)
	<b>5,210,834</b>	<b>4,001,453</b>

The accompanying notes are an integral part of this financial statement.

## CORPORATION OF THE TOWNSHIP OF ESSA

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For The Year Ended December 31, 2006

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The Township of Essa is a lower tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

#### 1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared by management in accordance with 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 are as follows:

##### **Reporting Entity**

These consolidated financial statements reflect the assets, liabilities, revenues and expenditures and fund balances of the reporting entity.

The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Township and which are owned and controlled by the Township. These financial statements include:

- . Essa Public Library Board (formerly Centennial Public Library Board)
- . Angus Business Improvement Area Board

All interfund assets and liabilities and revenues and expenditures are eliminated.

##### **Fund Accounting**

Funds within the consolidated financial statements consist of current, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

##### **Recognition of Revenues and Expenditures**

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 and services and the creation of a legal obligation to pay.

##### **Capital Assets**

Expenditures made on capital assets are reported as capital expenditures on the Consolidated Statement of Financial Activities in the period incurred.

##### **Reserves and Reserve Funds**

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

##### **Deferred Revenue**

Deferred revenues represent user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

##### **Government Transfers**

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

**CORPORATION OF THE TOWNSHIP OF ESSA**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For The Year Ended December 31, 2006**

1. **SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**Use of Estimates**

The preparation of financial statements in conformity 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 revenue and expenditures during the period. Actual results could differ from these estimates.

**Financial Instruments**

The municipality's financial instruments consist of cash and temporary investments, taxes receivable, trade and other receivables, long term receivables, accounts payable and accrued liabilities, long term debt and temporary advances. The municipality's temporary advances are at a variable rate of interest and as such represents a credit risk to the municipality should interest rates fluctuate. The municipality does not have any other significant concentration of currency or credit risks.

2. **OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF SIMCOE**

During 2006, requisitions were made by the County of Simcoe and School Boards requiring the Township to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	School Boards \$	County \$
Property taxes	4,424,283	3,398,472
Taxation from other governments	378,852	739,583
Amount requisitioned and remitted	4,803,135	4,138,055

These amounts have not been included in the Consolidated Statement of Financial Activities.

3. **EMPLOYEE FUTURE BENEFITS PAYABLE**

The municipality provides certain employee benefits which will require funding in future periods as follows:

	2006 \$	2005 \$
extended health care benefits	301,649	311,074
vacation pay entitlement	83,467	91,868
	385,116	402,942

## CORPORATION OF THE TOWNSHIP OF ESSA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For The Year Ended December 31, 2006

## 4. LONG TERM RECEIVABLES

Long term receivables consist of the following:

	2006 \$	2005 \$
Note receivable, repayable in blended annual payments of \$38,057, including principal and interest at 5.5%, secured by a mortgage on real estate, maturing December 24, 2016.	266,520	307,656
Amount receivable from sewer users, repayable in blended monthly payments of \$8,176, including principal and interest at prime bank rate less ¼%.	-	33,697
Amount receivable from sewer users, repayable in blended annual payments of \$13,237, including principal and interest at 6%, matures in 2014.	83,616	94,837
	350,136	436,190

## 5. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the public sector accounting principles of the Canadian Institute of Chartered Accountants, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as Provincial legislation and other agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the municipality are summarized below.

	2006 \$	2005 \$
. development charges	3,013,652	2,679,138
. parklands	103,466	114,068
. Brown's Line and bridge	856,885	634,667
. Federal gas tax revenues	253,617	163,873
	4,227,620	3,591,746

## CORPORATION OF THE TOWNSHIP OF ESSA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For The Year Ended December 31, 2006

## 6. LONG TERM DEBT

	2006 \$	2005 \$
(a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:		
Ontario Municipal Economic Infrastructure Financing Authority Debenture, matures December 2, 2019. It is repayable in blended semi annual payments of \$167,252, bears interest at 2.62% per annum.	3,665,271	3,899,140
Ontario Strategic Infrastructure Financing Authority Debenture, matures February 2, 2031. It is repayable in blended semi annual payments of \$173,452, bears interest at 4.78% per annum.	4,976,252	-
	8,641,523	3,899,140

(b) The long term debt reported in (a) of this note is repayable as follows:

	Principal \$	Interest \$	Total \$
2007	350,381	331,030	681,411
2008	362,049	319,362	681,411
2009	374,142	307,269	681,411
2010	386,676	294,735	681,411
2011	399,671	281,740	681,411
	1,872,919	1,534,136	3,407,055
2012 - 2016	2,210,688	1,196,367	3,407,055
2017 and thereafter	4,557,916	1,475,744	6,033,660
	8,641,523	4,206,247	12,847,770

(c) The long term debt in (a) issued in the name of the municipality has been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing. The long term debt principal and interest payments will be recovered from water user charges and sewer development charges.

## CORPORATION OF THE TOWNSHIP OF ESSA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For The Year Ended December 31, 2006

## 7. TEMPORARY ADVANCES

Temporary advances consist of the following:

	2006 \$	2005 \$
Temporary advances, beginning of year	5,195,494	165,994
Ontario Strategic Infrastructure Financing Authority Advances during the year Prepaid through debenture proceeds	(5,029,500)	5,029,500
Temporary advances, end of year	165,994	5,195,494

## 8. MUNICIPAL POSITION AT THE END OF THE YEAR

The municipal position is comprised of the following:

	2006 \$	2005 \$
Current fund		
For general reduction of (to be recovered from) taxation and user charges		
. Township	178,447	79,852
. Waterworks	205,732	53,644
. Sewage	(93,285)	(140,132)
. Library Board	13,844	10,230
	304,738	3,594
Capital fund		
. Waterworks	(909,881)	657,899
. Sewage	(4,185,400)	(6,536,151)
. Transportation	(22,576)	-
	(5,117,857)	(5,878,252)
Reserves	7,059,259	7,053,670
Reserve funds	143,272	122,115
	7,202,531	7,175,785
	2,389,412	1,301,127

## CORPORATION OF THE TOWNSHIP OF ESSA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
For The Year Ended December 31, 2006

## 8. MUNICIPAL POSITION AT THE END OF THE YEAR - (Continued)

The capital fund deficit will be funded in subsequent years through recoveries from users of the water and sewer systems to which these water upgrades and waste water expansion project related and long term debt. During 2005 the municipality received approval from the Ontario Strategic Infrastructure Financing Authority of up to \$10,263,000 in short term financing for costs incurred in 2005 and subsequent years to complete these water upgrades and waste water expansion project. Advances of \$5,029,500 were received in 2005. During the year, the municipality converted these advances into a debenture in the amount of \$5,029,500, with 4.78% interest amortized over 25 years.

## 9. EXPENDITURES BY OBJECT

The operating expenditures for the year reported on the Consolidated Schedule of Current Fund operations by object are as follows:

	2006 \$	2005 \$
Salaries, wages and employee benefits	2,914,050	2,893,833
Debt interest charges	234,667	106,645
Materials	2,677,458	2,118,697
Contracted services	3,312,466	3,317,362
Rents and financial expenses	81,390	133,833
External transfers	119,378	118,792
	9,339,409	8,689,162

## 10. AMOUNTS TO BE RECOVERED

Amounts to be recovered consist of the outstanding principal portion of unmatured long term liabilities for municipal expenditures and employee future benefits payable. The balance consists of:

	2006 \$	2005 \$
Employee future benefits payable	385,116	402,942
Water long term debt to be recovered from local improvement charges	2,502,940	2,662,644
Water long term debt to be recovered from future local improvement charges and government transfer payments	1,162,331	1,236,496
Sewer long term debt to be recovered from sewer development charges	4,976,252	-
	9,026,639	4,302,082

**CORPORATION OF THE TOWNSHIP OF ESSA****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****For The Year Ended December 31, 2006**

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**11. CONTRACTUAL OBLIGATION - ONTARIO CLEAN WATER AGENCY (OCWA)**

The municipality has entered into a Service Agreement with OCWA to provide operating maintenance of its wastewater facilities and water facilities. Included in the Consolidated Statement of Financial Activities are the operating charges from OCWA of \$646,931 (2005 - \$628,773). The agreement requires annual payments of \$560,516 plus cumulative annual inflation adjustments for 2006.

**12. PENSION AGREEMENTS**

The municipality makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all permanent, full-time members 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.

The contribution on account of current service in 2006 amounted to \$121,586 (2005 \$107,775) for current service and is included as an expenditure in the Consolidated Statement of Financial Activities.

**13. WASTE MANAGEMENT SETTLEMENT**

A settlement has been reached between the County of Simcoe and the Township of Essa regarding the transfer of landfill site assets and liabilities to the County. Under the terms of the settlement, the County has made payments during 2006 of \$123,204 (2005 - \$134,677). The balance of the settlement of \$75,477 (2005 - \$198,681) will be paid in future years and has not been reflected in the Consolidated Statement of Financial Position.

**14. BUDGET FIGURES**

Budgets established for capital funds, reserves and reserve funds are based on a project-oriented basis, the costs of which may be carried out over one or more years. Although they are not directly comparable with the current year actual amounts they have been reflected on the Consolidated Statement of Financial Activities and the Schedules of Current Fund Operations, Capital Fund Operations and Reserves and Reserve Funds. The budget figures are not subject to audit.

**15. TILE DRAINAGE LOANS**

The Township acts as a collection agent for the Province of Ontario for tile drainage loans for individual ratepayers. The value of these loans outstanding at December 31, 2006 is \$62,495 (2005 - \$73,566). These loans and the related repayments are not reported on the Consolidated Statements of Financial Position, Financial Activities and Changes in Financial Position.

## CORPORATION OF THE TOWNSHIP OF ESSA

**CONSOLIDATED SCHEDULE OF CURRENT FUND OPERATIONS**  
**For The Year Ended December 31, 2006**

	Budget 2006 \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>			
Taxation	6,674,559	6,644,949	6,691,226
User charges	3,211,485	3,325,849	3,195,929
Province of Ontario	1,287,989	1,308,301	1,634,603
Government of Canada	7,987	15,269	21,596
Other municipalities	337,792	287,780	294,141
Penalties and interest on taxes	150,000	169,683	151,234
Investment income	202,200	407,564	280,126
Development charges earned	188,945	187,280	6,200
Sale of land	732,000	230,565	6,694
<b>TOTAL REVENUES</b>	<b>12,792,957</b>	<b>12,577,240</b>	<b>12,281,749</b>
<b>EXPENDITURES</b>			
General government	987,195	1,000,361	902,441
Protection services	2,919,180	2,748,912	2,623,583
Transportation services	1,842,771	1,860,159	1,686,097
Environmental services	2,029,497	2,091,152	1,903,622
Health services	3,000	-	3,603
Social and family services	15,266	14,143	17,917
Recreation and cultural services	1,380,326	1,343,472	1,247,586
Planning and development	267,447	281,210	304,313
<b>TOTAL CURRENT EXPENDITURES</b>	<b>9,444,682</b>	<b>9,339,409</b>	<b>8,689,162</b>
<b>NET REVENUES/(EXPENDITURES)</b>	<b>3,348,275</b>	<b>3,237,831</b>	<b>3,592,587</b>
<b>FINANCING AND TRANSFERS</b>			
Long term debt repaid	(287,117)	(287,117)	(227,860)
Transfer (to) from capital fund	(2,017,363)	(1,985,108)	(1,888,478)
Transfer (to) from reserves and reserve funds	(1,042,514)	(646,636)	(2,226,610)
Employee future benefits payable	-	(17,826)	109,704
<b>NET FINANCING AND TRANSFERS</b>	<b>(3,346,994)</b>	<b>(2,936,687)</b>	<b>(4,233,244)</b>
<b>CHANGE IN CURRENT FUND BALANCE</b>	<b>1,281</b>	<b>301,144</b>	<b>(640,657)</b>
<b>OPENING CURRENT FUND BALANCE</b>	<b>3,594</b>	<b>3,594</b>	<b>644,251</b>
<b>CLOSING CURRENT FUND BALANCE</b>	<b>4,875</b>	<b>304,738</b>	<b>3,594</b>

## CORPORATION OF THE TOWNSHIP OF ESSA

**CONSOLIDATED SCHEDULE OF CAPITAL FUND OPERATIONS**  
**For The Year Ended December 31, 2006**

	Budget 2006 \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>			
Province of Ontario	811,592	778,292	676,961
Government of Canada	1,355	3,697	651,888
User charges	75,000	45,518	20,038
Development charges earned	1,129,828	1,797,168	3,613,521
<b>TOTAL REVENUES</b>	<b>2,017,775</b>	<b>2,624,675</b>	<b>4,962,408</b>
<b>EXPENDITURES</b>			
General government	15,000	6,538	35,504
Protection services	438,800	427,079	364,607
Transportation services	2,902,605	2,566,762	3,501,406
Environmental services	6,736,480	5,450,350	8,098,849
Recreation and cultural services	983,568	1,053,020	356,361
Planning and development	-	-	7,658
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>11,076,453</b>	<b>9,503,749</b>	<b>12,364,385</b>
<b>NET REVENUES/(EXPENDITURES)</b>	<b>(9,058,678)</b>	<b>(6,879,074)</b>	<b>(7,401,977)</b>
<b>FINANCING AND TRANSFERS</b>			
Long term debt issued	5,029,500	5,029,500	-
Transfers from current fund	2,017,363	1,985,108	1,888,478
Transfers from reserves and reserve funds	415,915	624,861	477,192
<b>NET FINANCING AND TRANSFERS</b>	<b>7,462,778</b>	<b>7,639,469</b>	<b>2,365,670</b>
<b>CHANGE IN CAPITAL FUND BALANCE</b>	<b>(1,595,900)</b>	<b>760,395</b>	<b>(5,036,307)</b>
<b>OPENING CAPITAL FUND BALANCE</b>	<b>(5,878,252)</b>	<b>(5,878,252)</b>	<b>(841,945)</b>
<b>CLOSING CAPITAL FUND BALANCE</b>	<b>(7,474,152)</b>	<b>(5,117,857)</b>	<b>(5,878,252)</b>

## CORPORATION OF THE TOWNSHIP OF ESSA

**CONSOLIDATED SCHEDULE OF RESERVES AND RESERVE FUNDS**  
 For The Year Ended December 31, 2006

	Budget 2006 \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>			
Investment income	-	4,971	2,688
<b>TOTAL REVENUES</b>	-	4,971	2,688
<b>NET TRANSFERS FROM (TO) OTHER FUNDS</b>			
Current fund	1,042,514	646,636	2,226,610
Capital fund	(415,915)	(624,861)	(477,192)
<b>TOTAL NET TRANSFERS</b>	626,599	21,775	1,749,418
<b>CHANGE IN RESERVE AND RESERVE FUND BALANCES</b>	626,599	26,746	1,752,106
<b>OPENING RESERVE AND RESERVE FUND BALANCES</b>	7,175,785	7,175,785	5,423,679
<b>CLOSING RESERVE AND RESERVE FUND BALANCES</b>	<b>7,802,384</b>	<b>7,202,531</b>	<b>7,175,785</b>
<b>ANALYZED AS FOLLOWS:</b>			
Reserves set aside for specific purposes by Council			
. working funds		934,935	934,935
. contingencies		37,372	37,372
. acquisition of capital assets		5,370,042	5,372,148
. operations		716,910	709,215
<b>TOTAL RESERVES</b>		7,059,259	7,053,670
Reserve funds set aside for specific purposes by Council			
. water and sewer services		119,562	106,374
. BIA		23,710	15,741
<b>TOTAL RESERVE FUNDS</b>		143,272	122,115
<b>TOTAL RESERVES AND RESERVE FUNDS</b>		<b>7,202,531</b>	<b>7,175,785</b>

## CORPORATION OF THE TOWNSHIP OF ESSA

**WATERWORKS SYSTEM  
 SCHEDULE OF FINANCIAL ACTIVITIES  
 For The Year Ended December 31, 2006**

	Budget 2006 \$	Current Fund \$	Capital Fund \$	Reserve and Reserve Fund \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>						
Service fees	1,061,000	1,090,535	-	-	1,090,535	980,966
Frontage and connection fees	125,000	170,519	-	-	170,519	149,566
Transfer payments from other governments	64,000	-	64,000	-	64,000	1,320,232
Investment income	100,000	101,683	-	1,316	102,999	98,788
Penalties and interest	12,000	12,707	-	-	12,707	12,415
Other	38,000	37,996	-	-	37,996	66,198
Development charges earned	-	-	-	-	-	178,000
<b>TOTAL REVENUES</b>	<b>1,400,000</b>	<b>1,413,440</b>	<b>64,000</b>	<b>1,316</b>	<b>1,478,756</b>	<b>2,806,165</b>
<b>EXPENDITURES</b>						
<b>CURRENT</b>						
Transmission and distribution	347,464	366,631	-	-	366,631	337,857
Utilities	79,000	95,705	-	-	95,705	77,272
Administration	74,342	58,198	-	-	58,198	47,163
Interest on long term debt	104,235	100,636	-	-	100,636	106,645
<b>TOTAL CURRENT EXPENDITURES</b>	<b>605,041</b>	<b>621,170</b>	<b>-</b>	<b>-</b>	<b>621,170</b>	<b>568,937</b>
<b>CAPITAL EXPENDITURES</b>						
System improvements	2,774,580	-	1,652,937	-	1,652,937	798,988
<b>TOTAL EXPENDITURES</b>	<b>3,379,621</b>	<b>621,170</b>	<b>1,652,937</b>	<b>-</b>	<b>2,274,107</b>	<b>1,367,925</b>
<b>NET REVENUES/ (EXPENDITURES)</b>	<b>(1,979,621)</b>	<b>792,270</b>	<b>(1,588,937)</b>	<b>1,316</b>	<b>(795,351)</b>	<b>1,438,240</b>
<b>FINANCING AND TRANSFERS</b>						
Interfund transfers	-	(406,313)	21,157	385,156	-	-
Long term debt repaid	(233,869)	(233,869)	-	-	(233,869)	(227,860)
<b>CHANGE IN FUND BALANCES</b>	<b>(2,213,490)</b>	<b>152,088</b>	<b>(1,567,780)</b>	<b>386,472</b>	<b>(1,029,220)</b>	<b>1,210,380</b>
<b>OPENING FUND BALANCES</b>	<b>1,681,179</b>	<b>53,644</b>	<b>657,899</b>	<b>969,636</b>	<b>1,681,179</b>	<b>470,799</b>
<b>CLOSING FUND BALANCES</b>	<b>(532,311)</b>	<b>205,732</b>	<b>(909,881)</b>	<b>1,356,108</b>	<b>651,959</b>	<b>1,681,179</b>

## CORPORATION OF THE TOWNSHIP OF ESSA

**SEWAGE SYSTEM  
SCHEDULE OF FINANCIAL ACTIVITIES  
For The Year Ended December 31, 2006**

	Budget 2006 \$	Current Fund \$	Capital Fund \$	Reserve and Reserve Fund \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>						
Service fees	738,000	750,116	-	-	750,116	589,984
Frontage and connection fees	44,706	46,076	-	-	46,076	46,077
Investment income	-	-	-	3,041	3,041	1,824
Penalties and interest	7,000	7,382	-	-	7,382	7,194
Other	3,750	9,250	-	-	9,250	7,675
Development charges earned	188,945	187,280	923,163	-	1,110,443	1,429,386
<b>TOTAL REVENUES</b>	<b>982,401</b>	<b>1,000,104</b>	<b>923,163</b>	<b>3,041</b>	<b>1,926,308</b>	<b>2,082,140</b>
<b>EXPENDITURES</b>						
<b>CURRENT</b>						
Transmission and distribution	355,283	383,535	-	-	383,535	350,599
Utilities	82,000	113,658	-	-	113,658	76,621
Administration	21,810	16,030	-	-	16,030	13,710
Financial expense	40,880	34,054	-	-	34,054	98,112
Interest on long term debt	135,705	134,031	-	-	134,031	-
<b>TOTAL CURRENT EXPENDITURES</b>	<b>635,678</b>	<b>681,308</b>	<b>-</b>	<b>-</b>	<b>681,308</b>	<b>539,042</b>
<b>CAPITAL EXPENDITURES</b>						
System improvements	3,961,900	-	3,795,369	-	3,795,369	7,272,224
<b>TOTAL EXPENDITURES</b>	<b>4,597,578</b>	<b>681,308</b>	<b>3,795,369</b>	<b>-</b>	<b>4,476,677</b>	<b>7,811,266</b>
<b>NET REVENUES/ (EXPENDITURES)</b>	<b>(3,615,177)</b>	<b>318,796</b>	<b>(2,872,206)</b>	<b>3,041</b>	<b>(2,550,369)</b>	<b>(5,729,126)</b>
<b>FINANCING AND TRANSFERS</b>						
Interfund transfers	-	(218,701)	193,457	25,244	-	-
Long term debt issued	5,029,500	-	5,029,500	-	5,029,500	-
Long term debt repaid	(53,248)	(53,248)	-	-	(53,248)	-
<b>CHANGE IN FUND BALANCES</b>	<b>1,361,075</b>	<b>46,847</b>	<b>2,350,751</b>	<b>28,285</b>	<b>2,425,883</b>	<b>(5,729,126)</b>
<b>OPENING FUND BALANCES</b>	<b>(5,987,629)</b>	<b>(140,132)</b>	<b>(6,536,151)</b>	<b>688,654</b>	<b>(5,987,629)</b>	<b>(258,503)</b>
<b>CLOSING FUND BALANCES</b>	<b>(4,626,554)</b>	<b>(93,285)</b>	<b>(4,185,400)</b>	<b>716,939</b>	<b>(3,561,746)</b>	<b>(5,987,629)</b>

**CORPORATION OF THE TOWNSHIP OF ESSA**  
**ESSA PUBLIC LIBRARY BOARD**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

## AUDITORS' REPORT

### **TO THE MEMBERS OF THE ESSA PUBLIC LIBRARY BOARD, MEMBERS OF COUNCIL, INHABITANTS AND RATEPAYERS OF THE CORPORATION OF THE TOWNSHIP OF ESSA**

We have audited the statement of financial position of the Essa Public Library Board of the Corporation of the Township of Essa as at December 31, 2006 and the statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. 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 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 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 our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2006 and the results of its operations and changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

*Collins Barrow Kawarthas*

Chartered Accountants  
Licensed Public Accountants

Lindsay, Ontario  
May 3, 2007

CORPORATION OF THE TOWNSHIP OF ESSA

ESSA PUBLIC LIBRARY BOARD  
STATEMENT OF FINANCIAL POSITION  
At December 31, 2006

	2006 \$	2005 \$
<b>ASSETS</b>		
<b>FINANCIAL ASSETS</b>		
Cash	26,470	34,442
Trade and other receivables	7,675	4,218
Other assets	3,182	1,519
Due from Township	-	5,819
<b>TOTAL ASSETS</b>	<b>37,327</b>	<b>45,998</b>
<b>LIABILITIES AND MUNICIPAL POSITION</b>		
<b>LIABILITIES</b>		
Accounts payable	21,180	1,068
Due to Township	2,303	-
Deferred revenue	-	34,700
<b>TOTAL LIABILITIES</b>	<b>23,483</b>	<b>35,768</b>
<b>MUNICIPAL POSITION</b>		
Fund Balance		
Current fund	13,844	10,230
<b>TOTAL MUNICIPAL POSITION</b>	<b>13,844</b>	<b>10,230</b>
<b>TOTAL LIABILITIES AND MUNICIPAL POSITION</b>	<b>37,327</b>	<b>45,998</b>

The accompanying notes are an integral part of this financial statement.



## CORPORATION OF THE TOWNSHIP OF ESSA

**ESSA PUBLIC LIBRARY BOARD  
STATEMENT OF FINANCIAL ACTIVITIES  
For The Year Ended December 31, 2006**

	Budget 2006 \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>			
Contribution from Township	322,881	331,938	307,473
Province of Ontario	59,997	80,997	25,297
Government of Canada	4,342	13,269	14,552
Other	9,600	12,288	9,272
<b>TOTAL REVENUES</b>	<b>396,820</b>	<b>438,492</b>	<b>356,594</b>
<b>EXPENDITURES</b>			
<b>CURRENT</b>			
Salaries and benefits	229,819	258,747	218,732
Books, audio and periodicals	112,293	110,714	70,532
Utilities	13,030	11,832	10,457
Insurance and audit	4,125	3,752	4,868
Repairs and maintenance	12,560	11,646	9,346
Contracted services	9,775	9,300	8,778
Other operating costs	25,262	21,515	18,010
<b>TOTAL CURRENT EXPENDITURES</b>	<b>406,864</b>	<b>427,506</b>	<b>340,723</b>
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>8,096</b>	<b>7,372</b>	<b>19,601</b>
<b>TOTAL EXPENDITURES</b>	<b>414,960</b>	<b>434,878</b>	<b>360,324</b>
<b>NET REVENUES/(EXPENDITURES) AND CHANGES IN FUND BALANCE</b>	<b>(18,140)</b>	<b>3,614</b>	<b>(3,730)</b>
<b>OPENING FUND BALANCE</b>	<b>10,230</b>	<b>10,230</b>	<b>13,960</b>
<b>CLOSING FUND BALANCE</b>	<b>(7,910)</b>	<b>13,844</b>	<b>10,230</b>

The accompanying notes are an integral part of this financial statement.

## CORPORATION OF THE TOWNSHIP OF ESSA

**ESSA PUBLIC LIBRARY BOARD**  
**STATEMENT OF CHANGES IN FINANCIAL POSITION**  
**For The Year Ended December 31, 2006**

	2006 \$	2005 \$
<b>OPERATIONS</b>		
Net revenues/(expenditures)	3,614	(3,730)
Sources (Uses):		
(Increase) in trade and other receivables	(3,457)	(3,386)
(Increase) decrease in other assets	(1,663)	10,498
(Increase) decrease in due from Township	8,122	(2,832)
Increase (decrease) in accounts payable	20,112	(3,491)
Increase (decrease) in deferred revenue	(34,700)	34,700
Net increase (decrease) in cash from operations	(7,972)	31,759
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(7,972)	31,759
<b>OPENING CASH AND CASH EQUIVALENTS</b>	34,442	2,683
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>26,470</b>	<b>34,442</b>

The accompanying notes are an integral part of this financial statement.

**CORPORATION OF THE TOWNSHIP OF ESSA****ESSA PUBLIC LIBRARY BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended December 31, 2006**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments and their boards 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:

**Fund Accounting**

Funds within the financial statements consist of current and capital funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

**Recognition of Revenues and Expenditures**

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 and services and the creation of a legal obligation to pay.

**Capital Assets**

Expenditures made on capital assets are reported as capital expenditures on the Statement of Financial Activities in the period incurred.

**Government Transfers**

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

**Use of Estimates**

The preparation of financial statements in conformity 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 revenue and expenditures during the period. Actual results could differ from these estimates.

**Financial Instruments**

The Board's financial instruments consist of cash, trade and other receivables, amount due to Township and accounts payable. The carrying value of the financial instruments approximates their fair values due to their immediate or short term maturity. The Board does not have any significant concentration of credit risk.

**2. BUDGET FIGURES**

Budgets established for capital funds, reserves and reserve funds are based on a project-oriented basis, the costs of which may be carried out over one or more years. Although they are not directly comparable with the current year actual amounts they have been reflected on the Statement of Financial Activities and the Schedules of Current Fund Operations and Capital Fund Operations. The budget figures are not subject to audit.

**3. NAME CHANGE**

During the year, a name change was approved for the Library Board to the Essa Public Public Library Board. Formerly the Board was named the Centennial Public Library Board.

## CORPORATION OF THE TOWNSHIP OF ESSA

**ESSA PUBLIC LIBRARY BOARD**  
**SCHEDULE OF CURRENT FUND OPERATIONS**  
**For The Year Ended December 31, 2006**

	Budget 2006 \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>			
Contribution from Township	322,881	331,938	307,473
Province of Ontario	59,997	80,997	25,297
Government of Canada	2,987	9,572	5,935
Other	9,600	12,288	9,272
<b>TOTAL REVENUES</b>	<b>395,465</b>	<b>434,795</b>	<b>347,977</b>
<b>EXPENDITURES</b>			
Salaries and benefits	229,819	258,747	218,732
Books, audio and periodicals	112,293	110,714	70,532
Utilities	13,030	11,832	10,457
Insurance and audit	4,125	3,752	4,868
Repairs and maintenance	12,560	11,646	9,346
Contracted services	9,775	9,300	8,778
Other operating costs	25,262	21,515	18,010
<b>TOTAL CURRENT EXPENDITURES</b>	<b>406,864</b>	<b>427,506</b>	<b>340,723</b>
<b>NET REVENUES/(EXPENDITURES)</b>	<b>(11,399)</b>	<b>7,289</b>	<b>7,254</b>
<b>NET TRANSFERS FROM (TO) OTHER FUND</b>			
Capital fund	(6,741)	(3,675)	(10,984)
<b>CHANGE IN CURRENT FUND BALANCE</b>	<b>(18,140)</b>	<b>3,614</b>	<b>(3,730)</b>
<b>OPENING CURRENT FUND BALANCE</b>	<b>10,230</b>	<b>10,230</b>	<b>13,960</b>
<b>CLOSING CURRENT FUND BALANCE</b>	<b>(7,910)</b>	<b>13,844</b>	<b>10,230</b>

## CORPORATION OF THE TOWNSHIP OF ESSA

ESSA PUBLIC LIBRARY BOARD  
 SCHEDULE OF CAPITAL FUND OPERATIONS  
 For The Year Ended December 31, 2006

	Budget 2006 \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>			
Government of Canada	1,355	3,697	8,617
<b>TOTAL REVENUES</b>	1,355	3,697	8,617
<b>CAPITAL EXPENDITURES</b>			
Building and equipment	8,096	7,372	19,601
<b>NET REVENUE/(EXPENDITURES)</b>	(6,741)	(3,675)	(10,984)
<b>NET TRANSFERS FROM (TO) OTHER FUND</b>			
Current fund	6,741	3,675	10,984
<b>CHANGE IN CAPITAL FUND BALANCE</b>	-	-	-
<b>OPENING CAPITAL FUND BALANCE</b>	-	-	-
<b>CLOSING CAPITAL FUND BALANCE</b>	-	-	-

**CORPORATION OF THE  
TOWNSHIP OF ESSA  
ANGUS BUSINESS IMPROVEMENT AREA BOARD  
FINANCIAL STATEMENTS  
DECEMBER 31, 2006**

## AUDITORS' REPORT

**TO THE MEMBERS OF THE ANGUS BUSINESS  
IMPROVEMENT AREA BOARD, MEMBERS OF COUNCIL,  
INHABITANTS AND RATEPAYERS OF THE CORPORATION  
OF THE TOWNSHIP OF ESSA**

We have audited the statement of financial position of the Angus Business Improvement Area Board of the Corporation of the Township of Essa as at December 31, 2006 and the statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. 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 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 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 our opinion, these financial statements presents fairly, in all material respects, the financial position of the Board as at December 31, 2006 and the results of its operations and changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

*Collins Barrow Kawarthas*

Chartered Accountants  
Licensed Public Accountants

Lindsay, Ontario  
May 3, 2007

ANGUS BUSINESS IMPROVEMENT AREA BOARD  
STATEMENT OF FINANCIAL POSITION  
At December 31, 2006

	2006 \$	2005 \$
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	23,710	15,741
<b>TOTAL ASSETS</b>	<b>23,710</b>	<b>15,741</b>
<b>MUNICIPAL POSITION</b>		
Fund Balance		
Reserve fund	23,710	15,741
<b>TOTAL MUNICIPAL POSITION</b>	<b>23,710</b>	<b>15,741</b>

The accompanying note is an integral part of this financial statement.

**ANGUS BUSINESS IMPROVEMENT AREA BOARD**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**For The Year Ended December 31, 2006**

	Budget 2006 \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>			
Taxation	18,000	18,139	15,750
Investment income	-	614	296
<b>TOTAL REVENUES</b>	<b>18,000</b>	<b>18,753</b>	<b>16,046</b>
<b>EXPENDITURES</b>			
<b>CURRENT</b>			
Audit	500	500	500
Decorations and maintenance	17,250	10,142	11,585
Tax write-offs	250	142	345
<b>TOTAL EXPENDITURES</b>	<b>18,000</b>	<b>10,784</b>	<b>12,430</b>
<b>NET REVENUES/(EXPENDITURES) AND CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>7,969</b>	<b>3,616</b>
<b>OPENING FUND BALANCE</b>	<b>15,741</b>	<b>15,741</b>	<b>12,125</b>
<b>CLOSING FUND BALANCE</b>	<b>15,741</b>	<b>23,710</b>	<b>15,741</b>

The accompanying note is an integral part of this financial statement.

**ANGUS BUSINESS IMPROVEMENT AREA BOARD**  
**STATEMENT OF CHANGES IN FINANCIAL POSITION**  
**For The Year Ended December 31, 2006**

	2006 \$	2005 \$
<b>OPERATIONS</b>		
Net revenues	7,969	3,616
Net increase (decrease) in cash from operations	7,969	3,616
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	7,969	3,616
<b>OPENING CASH AND CASH EQUIVALENTS</b>	15,741	12,125
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>23,710</b>	<b>15,741</b>

The accompanying notes are an integral part of this financial statement.

**CORPORATION OF THE TOWNSHIP OF ESSA**

**ANGUS BUSINESS IMPROVEMENT AREA BOARD  
NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended December 31, 2006**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments and their boards 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:

**Fund Accounting**

Funds within the financial statements consist of the current and reserve funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

**Recognition of Revenues and Expenditures**

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 and services and the creation of a legal obligation to pay.

**Capital Assets**

Expenditures made on capital assets are reported as capital expenditures on the Statement of Financial Activities in the period incurred.

**Use of Estimates**

The preparation of financial statements in conformity 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 revenue and expenditures during the period. Actual results could differ from these estimates.

**Financial Instruments**

The Board's financial instruments consist of cash and temporary investments. The Board does not have any significant concentration of credit risk.

**Reserves and Reserve Funds**

Certain amounts, as approved by the Board, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

**2. BUDGET FIGURES**

Budgets established for capital funds, reserves and reserve funds are based on a project-oriented basis, the costs of which may be carried out over one or more years. Although they are not directly comparable with the current year actual amounts they have been reflected on the Statement of Financial Activities and the Schedules of Current Fund Operations and Capital Fund Operations. The budget figures are not subject to audit.

## CORPORATION OF THE TOWNSHIP OF ESSA

**ANGUS BUSINESS IMPROVEMENT AREA BOARD  
 SCHEDULE OF CURRENT FUND OPERATIONS  
 For The Year Ended December 31, 2006**

	Budget 2006 \$	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>			
Taxation	18,000	18,139	15,750
<b>TOTAL REVENUES</b>	18,000	18,139	15,750
<b>EXPENDITURES</b>			
<b>CURRENT</b>			
Audit	500	500	500
Decorations and maintenance	17,250	10,142	11,585
Tax write-offs	250	142	345
<b>TOTAL CURRENT EXPENDITURES</b>	18,000	10,784	12,430
<b>NET REVENUES/(EXPENDITURES)</b>	-	7,355	3,320
<b>NET TRANSFERS FROM (TO) OTHER FUND</b>			
Reserve fund	-	(7,355)	(3,320)
<b>CHANGE IN CURRENT FUND BALANCE</b>	-	-	-
<b>OPENING CURRENT FUND BALANCE</b>	-	-	-
<b>CLOSING CURRENT FUND BALANCE</b>	-	-	-

## CORPORATION OF THE TOWNSHIP OF ESSA

ANGUS BUSINESS IMPROVEMENT AREA BOARD  
 SCHEDULE OF RESERVE FUND  
 For The Year Ended December 31, 2006

	Actual 2006 \$	Actual 2005 \$
<b>REVENUES</b>		
Investment income	614	296
<b>NET TRANSFERS FROM (TO) OTHER FUND</b>		
Current fund	7,355	3,320
<b>CHANGE IN RESERVE FUND BALANCE</b>	7,969	3,616
<b>OPENING RESERVE FUND BALANCE</b>	15,741	12,125
<b>CLOSING RESERVE FUND BALANCE</b>	<b>23,710</b>	<b>15,741</b>