

The Municipality of North Grenville
Consolidated Financial Statements
For the year ended December 31, 2006

BRENT J. BURNS, CHARTERED ACCOUNTANT

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Auditor's Report

**To the Members of Council,
Inhabitants and Ratepayers of
The Municipality of North Grenville**

I have audited the Consolidated Statement of Financial Position of The Municipality of North Grenville as at December 31, 2006 and the Consolidated Statements of Financial Activities and Changes in Financial Position. These consolidated financial statements are the responsibility of the Municipality's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 my opinion, these financial statements present fairly, in all material respects, the financial position of the Municipality of North Grenville as at December 31, 2006 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles disclosed in Note 1 to the financial statements.



Brent J. Burns
Chartered Accountant
Certified Public Accountant

May 23, 2007

**The Municipality of North Grenville
Consolidated Statement of Financial Position**

December 31

2006

2005

Financial Assets

Cash	\$ 7,346,673	\$ 5,938,669
Investments	3,995	3,995
Taxes receivable	1,589,226	1,773,426
Accounts receivable	1,705,516	2,477,187
	<u>10,645,410</u>	<u>10,193,277</u>

Physical Assets

Prepaid Expenses	-	33,673
	<u>-</u>	<u>33,673</u>

Total Assets	\$ 10,645,410	\$ 10,226,950
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Liabilities

Temporary loans	\$ 572,004	\$ 4,372,004
Accounts payable and accrued liabilities	1,449,984	1,229,354
Deferred revenues (Note 3)	2,546,905	2,377,541
Post employment benefits (Note 4)	170,288	149,460
	<u>4,739,181</u>	<u>8,128,359</u>

Long term debt (Note 5)	<u>4,121,823</u>	<u>1,171,999</u>
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Solid Waste Landfill Closure & Post-Closure Liability (Note 6)	<u>1,400,112</u>	<u>1,400,112</u>
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Tangible Capital Lease Liability (Note 7)	<u>13,068,885</u>	<u>13,126,418</u>
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Municipal Position

Operating Fund	1,831,095	480,700
Capital Fund	(362,153)	(3,414,622)
Reserves (Note 9)	1,329,909	1,620,952
Reserve Funds (Note 9)	3,277,666	3,561,021
	<u>6,076,517</u>	<u>2,248,051</u>

Fund balances	6,076,517	2,248,051
Amounts to be recovered (Note 8)	(18,761,108)	15,847,989
	<u>(12,684,591)</u>	<u>(13,599,938)</u>

Total Liabilities and Municipal Position	\$ 10,645,410	\$ 10,226,950
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The accompanying notes are an integral part of these financial statements

**The Municipality of North Grenville
Consolidated Statement of Financial Activities**

For the year ended December 31	2006 Budget	2006 Actual	2005 Actual
Revenues			
Net taxation and user charges			
Taxation for municipal purposes	\$ 6,200,638	\$ 6,274,681	\$ 6,099,848
Payments in lieu of taxation	94,097	74,825	148,621
Provincial and federal grants	2,202,024	2,394,325	1,840,480
Revenue from other municipalities	-	-	12,140
User fees and service charges	3,047,600	3,167,455	2,367,648
Licences and permits	285,000	602,776	718,247
Fines and penalties	283,900	314,736	278,034
Investment income	70,000	138,556	86,758
Sale of land	30,000	384,558	190,959
Other income	283,000	150,262	745,492
Revenue from Obligatory Reserve Funds	922,600	515,903	225,308
Total Revenues	\$ 13,418,859	\$ 14,018,077	\$ 12,713,535

**The Municipality of North Grenville
Consolidated Statement of Financial Activities**

For the year ended December 31	2006 Budget	2006 Actual	2005 Actual
Expenditures:			
Current operations			
General government	\$ 1,507,670	\$ 1,456,316	\$ 1,625,865
Protection to persons and property	2,824,857	2,757,902	2,824,040
Transportation services	1,803,180	1,655,520	1,639,605
Environmental services	1,794,614	1,882,597	1,690,956
Health services	140,000	93,547	12,577
Recreation and cultural services	2,053,306	2,037,941	1,448,755
Planning and development	241,200	211,503	356,598
	<u>10,364,827</u>	<u>10,095,300</u>	<u>9,598,396</u>
Capital			
General government	48,000	39,527	89,220
Protection to persons and property	52,800	62,862	123,612
Transportation services	2,671,524	1,201,754	1,167,843
Environmental services	1,743,525	536,433	394,445
Recreation and cultural services	529,800	397,402	801,062
Planning and development	5,000	2,846	-
	<u>5,050,649</u>	<u>2,240,824</u>	<u>2,576,182</u>
Total Expenditures	<u>15,415,476</u>	<u>12,336,124</u>	<u>-</u>
Net Revenue (expenditure)	<u>\$ (1,996,617)</u>	<u>\$ 1,681,953</u>	<u>\$ 538,957</u>