

Financial Statements of

**COUNTY OF MIDDLESEX TRUST  
FUNDS**

Year ended December 31, 2007



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## AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the County of Middlesex

We have audited the balance sheet of County of Middlesex Trust Funds as at December 31, 2007 and the statement of earnings and fund balances for the year then ended. These financial statements are the responsibility of the Trust Funds' 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 common with similar organizations, the Trust Funds derive revenue from cash submitted by residents 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 capital revenue, assets and balances at the end of the year.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Trust Funds as at December 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The comparative amounts were audited by another firm of chartered accountants.

Chartered Accountants, Licensed Public Accountants

London, Canada

April 13, 2008

# COUNTY OF MIDDLESEX TRUST FUNDS

## Balance Sheet

December 31, 2007, with comparative figures for 2006

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	Strathmere Lodge Trust Fund	Strathroy Library Trust Fund	2007 Total	2006 Total
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### Assets

Cash	\$ 85,397	\$ -	\$ 85,397	\$ 77,234
Due from County of Middlesex (note 3)	-	11,800	11,800	-
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	\$ 85,397	\$ 11,800	\$ 97,197	\$ 77,234

### Fund Balances

Fund balances	\$ 85,397	\$ 11,800	\$ 97,197	\$ 77,234
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See accompanying notes to financial statements.

# COUNTY OF MIDDLESEX TRUST FUNDS

## Statement of Earnings and Fund Balances

Year ended December 31, 2007, with comparative figures for 2006

	Strathmere Lodge Trust Fund	Strathroy Lodge Trust Fund	2007 Total	2006 Total
Revenue:				
Capital	\$ 253,863	\$ -	\$ 253,863	\$ 254,961
Interest	3,341	533	3,874	2,993
	<u>257,204</u>	<u>533</u>	<u>257,737</u>	<u>257,954</u>
Expenditures:				
Resident withdrawals	234,258	-	234,258	239,120
Investment administration	2,983	-	2,983	2,072
Transfer to County of Middlesex Library Board	-	533	533	533
	<u>237,241</u>	<u>533</u>	<u>237,774</u>	<u>241,725</u>
Excess of revenue over expenditures	19,963	-	19,963	16,229
Fund balance, beginning of year	65,434	11,800	77,234	61,005
Fund balance, end of year	\$ 85,397	\$ 11,800	\$ 97,197	\$ 77,234

See accompanying notes to financial statements.

# COUNTY OF MIDDLESEX TRUST FUNDS

## Notes to Financial Statements

Year ended December 31, 2007

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The Strathmere Lodge Trust Fund reflects the assets, liabilities, receipts and expenditures of funds belonging to the residents of the County of Middlesex home for the aged.

The Strathroy Library Trust Fund relates to cash which is required to be spent on the Strathroy library.

### 1. Significant accounting policies:

#### (a) Trust funds financial statements:

The trust funds financial statements reflect the assets, liabilities, receipts and expenditures of funds belonging to the residents of the County's home for the aged.

#### (b) Accrual basis of accounting:

The financial statements have been prepared using the accrual basis of accounting.

### 2. Strathroy Public Library Board:

On January 1, 1999, the Strathroy Public Library Board became a branch of the Middlesex County Library Board. The former trust fund of the Strathroy Public Library Board has been transferred to the County of Middlesex trust fund and the interest on that trust fund will be used towards expenditures of the Strathroy branch.

### 3. Due from the County of Middlesex:

The County of Middlesex holds cash on behalf of the Library Trust.

### 4. Future changes in accounting policies:

#### Capital Disclosures:

In December 2006, the CICA issued a new handbook section 1535, Capital Disclosures, which requires an entity to disclose its objectives, policies and processes for managing capital. This new standard is effective for the Trust beginning January 1, 2008