

**CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2011**

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**The Corporation of the  
Leeds, Grenville & Lanark  
District Health Unit  
Consolidated Financial Statements  
December 31, 2011**

# Allan

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Chartered Accountant Professional Corporation

## INDEPENDENT AUDITOR'S REPORT

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### To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Leeds, Grenville & Lanark District Health Unit:

We have audited the consolidated statement of financial position of the Corporation of the Leeds, Grenville & Lanark District Health Unit as at December 31, 2011 and the consolidated statement of operations and accumulated surplus, changes in net financial assets (net debt) and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Consolidated Financial Statements

The Corporation of the Leeds, Grenville & Lanark District Health Unit's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation of the Leeds, Grenville & Lanark District Health Unit as at December 31, 2011 and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.



Chartered Accountants  
Licenced Public Accountants  
Perth, Ontario,  
June 6, 2012.

**The Corporation of the Leeds, Grenville & Lanark District Health Unit  
Consolidated Statement of Financial Position**

December 31	2011	(Note 13) 2010
	\$	\$
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and cash equivalents	1,855,040	1,659,127
Accounts receivable	450,809	390,309
	2,305,849	2,049,436
<b>LIABILITIES</b>		
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	636,518	505,667
Other current liabilities (note 2)	303,461	473,080
Deferred revenues	131,881	256,803
Long term liabilities (note 5)	1,287,434	1,316,316
	2,359,294	2,551,866
<b>NET FINANCIAL ASSETS (NET DEBT)</b>	<b>(53,445)</b>	<b>(502,430)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 8)	4,444,343	4,624,704
Prepaid expenses	81,139	72,160
	4,525,482	4,696,864
Commitments (note 6) Contingent Liabilities (note 11)		
<b>ACCUMULATED SURPLUS</b> (note 7)	<b>4,472,037</b>	<b>4,194,434</b>

On Behalf of the Board:

\_\_\_\_\_, Chairperson

**The Corporation of the Leeds, Grenville & Lanark District Health Unit  
Consolidated Statement of Operations and Accumulated Surplus**

For the year ended December 31	(Note 12) Budget	Actual 2011	(Note 13) 2010
	\$	\$	\$
<b>REVENUES</b>			
Municipal Grants			
City of Brockville	342,594	<b>342,594</b>	346,731
City of Gananoque	85,327	<b>85,337</b>	85,233
County of Lanark	961,208	<b>961,208</b>	927,897
Town of Prescott	66,271	<b>66,271</b>	64,187
Town of Smiths Falls	133,904	<b>133,904</b>	146,556
United Counties of Leeds and Grenville	1,162,385	<b>1,162,385</b>	1,127,130
Provincial Grants	9,656,039	<b>9,928,411</b>	9,412,219
Other Revenues			
Ontario Works	---	<b>462,915</b>	470,751
Special project grants	134,889	<b>154,648</b>	298,347
Land Control Program	462,230	<b>457,572</b>	482,982
Interest earned	1,000	<b>2,716</b>	6,121
Mandatory program recoveries	219,222	<b>214,535</b>	144,875
<b>TOTAL REVENUES</b>	<b>13,225,069</b>	<b>13,972,496</b>	<b>13,513,029</b>
<b>EXPENDITURES</b>			
Mandatory Programs	10,073,135	<b>9,712,254</b>	9,679,956
Land Control Program	442,229	<b>416,597</b>	410,323
Small Drinking Water Systems	174,200	<b>174,125</b>	167,331
Safe Water	11,625	<b>11,625</b>	---
Food Safe	28,130	<b>28,130</b>	---
Infection Control	396,193	<b>425,225</b>	353,906
Healthy Communities Partnership	---	<b>6,341</b>	---
Healthy Smiles Ontario	355,017	<b>444,782</b>	223,204
Smoke Free Ontario	338,855	<b>340,628</b>	270,185
Preschool Speech Language	415,964	<b>323,979</b>	---
Healthy Babies / Healthy Children Program	1,010,740	<b>1,008,877</b>	1,009,476
Ontario Works	---	<b>461,983</b>	465,814
Amortization	---	<b>340,347</b>	301,637
<b>TOTAL EXPENDITURES</b>	<b>13,246,088</b>	<b>13,694,893</b>	<b>12,881,832</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>(21,019)</b>	<b>277,603</b>	<b>631,197</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>4,194,434</b>	<b>4,194,434</b>	<b>3,563,237</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>4,173,415</b>	<b>4,472,037</b>	<b>4,194,434</b>

The accompanying notes are an integral part of these financial statements.

**The Corporation of the Leeds, Grenville & Lanark District Health Unit  
Consolidated Statement of Changes in Net Financial Assets (Net Debt)**

Year Ended December 31	2011	(Note 13) 2010
	\$	\$
<b>ANNUAL SURPLUS</b>	<b>277,603</b>	631,197
Amortization of tangible capital assets	<b>340,347</b>	301,637
Acquisition of tangible capital assets	<b>(159,986)</b>	(2,230,982)
(Disposal) acquisition of prepaid expense	<b>(8,979)</b>	5,525
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	<b>448,985</b>	(1,292,623)
<b>(NET DEBT) NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>(502,430)</b>	790,193
<b>(NET DEBT) NET FINANCIAL ASSETS, END OF YEAR</b>	<b>(53,445)</b>	(502,430)

The accompanying notes are an integral part of these financial statements.

**The Corporation of the Leeds, Grenville & Lanark District Health Unit  
Consolidated Statement of Cash Flows**

For the year ended December 31	2011	(Note 13) 2010
	\$	\$
<b>Cash Flows Provided From:</b>		
<b>OPERATING</b>		
Annual surplus for the year	277,603	631,197
Amortization	340,347	301,637
	<b>617,950</b>	932,834
Net Change in Non-Cash Working Capital Balances		
Accounts receivable	(60,500)	968,091
Prepaid expenses	(8,979)	5,525
Accounts payable and accrued liabilities	130,851	(56,176)
Other current liabilities	(169,619)	---
Deferred revenues	(124,922)	228,283
	<b>(233,169)</b>	1,145,723
<b>Working Capital from Operations</b>	<b>384,781</b>	2,078,557
<b>CAPITAL</b>		
Acquisition of capital assets	(159,986)	(2,230,982)
Proceeds of long term liabilities	---	1,316,316
Repayment of long term liabilities	(28,882)	---
<b>Net investment in tangible capital assets</b>	<b>(188,868)</b>	(914,666)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>195,913</b>	1,163,891
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>1,659,127</b>	495,236
<b>CASH AND EQUIVALENTS, END OF YEAR</b>	<b>1,855,040</b>	1,659,127

The accompanying notes are an integral part of these financial statements.

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# The Corporation of the Leeds, Grenville & Lanark District Health Unit

## Notes to the Consolidated Financial Statements

December 31, 2011

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### Purpose of Organization

These financial statements reflect the assets, liabilities and operations of the Corporation of the Leeds, Grenville & Lanark District Health Unit.

The Health Unit is incorporated under the laws of Ontario. Its mission is to work with the community to protect, promote and enhance health by determining issues, and developing and providing quality preventative health programs and services

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### 1. Significant Accounting Policies

The consolidated financial statements of the Corporation of the Leeds, Grenville & Lanark District Health Unit are the representations of management and have been prepared in all material respects in accordance with Canadian Public Sector Accounting Policies for local governments as recommended by the Public Sector Accounting Board ('PSAB') of the Canadian Institute of Chartered Accountants.

#### Reporting Entity

- (i) The consolidated financial statements reflect the financial assets, liabilities, operating revenues and expenditures, reserves, reserve funds and changes in investment in tangible capital assets of the Health Unit. The Health Unit operates the following programs:

Fiscal years ending December 31:

- ▶ Public Health Programs
- ▶ Land Control Program
- ▶ Healthy Babies / Healthy Children Program
- ▶ Heart Health (Healthy Communities) Program
- ▶ Healthy Community Partnership
- ▶ Healthy Smiles Ontario
- ▶ Infection Control
- ▶ Smoke Free Ontario
- ▶ Small Drinking Water Systems

Fiscal years ending March 31 (100% Ministry of Health funded):

- ▶ Language Express Program
- ▶ FOCUS Program

#### Basis of Accounting

- (i) The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.
- (ii) Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

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# The Corporation of the Leeds, Grenville & Lanark District Health Unit

## Notes to the Consolidated Financial Statements

December 31, 2011

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### 1. Significant Accounting Policies / continued

#### Cash and Cash Equivalents

The Health Unit considers cash and cash equivalents to be highly liquid investments with original maturities of three months or less.

#### Investments

Short-term and long-term investments are recorded at cost plus accrual interest. If the market value of investments become lower than cost and the decline in value is considered to be other than temporary, the investments are written down to market value.

#### Tangible Capital Assets

Tangible capital assets are recorded at cost, which include all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight line basis over their estimated useful lives as follows:

Land	
Building Improvements	15 years
Buildings	40 years
Vehicles	10 years
Furniture and Equipment	10 - 15 years
Computer Equipment	3 years
Multi-Media Equipment	5 years

One half of the annual amortization is charged in the year of acquisition and in the years of disposal.

Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of other asset as of the date of transfer.

#### Deferred Revenues

The Corporation of the Leeds, Grenville & Lanark District Health Unit receives certain amounts for which the related services have yet to be performed. These amounts are recognized as revenues in the fiscal year the related expenditures are incurred or services performed.

#### Employee Future Benefit Obligations

The Health Unit accounts for its participation in the Ontario Municipal Employees Retirement System ('OMERS'), a multi-employer public sector pension fund, as a defined benefit plan. The OMERS plan specifies the retirement benefits to be received by employees based on length of service and pay rates.

Employee benefits include vacation entitlement and sick leave benefits. Vacation entitlements are accrued as entitlements are earned. Sick leave benefits are accrued in accordance with the Health Unit's policy.



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# The Corporation of the Leeds, Grenville & Lanark District Health Unit

## Notes to the Consolidated Financial Statements

December 31, 2011

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### 1. Significant Accounting Policies / continued

#### Revenues and Expenditures

Revenues 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.

#### Government Transfers

Government transfers are recognized in the consolidated 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.

#### Financial Instruments

All financial instruments are initially recognized at fair value on the balance sheet. The Health Unit has classified each financial instrument into one of the following categories: held-for-trading financial assets and liabilities, loans and receivables, held-to-maturity financial assets and other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Held-for-trading financial assets and liabilities are subsequently measured at fair value with changes in those fair values recognized in net earnings.

Loans and receivables, held-to-maturity financial assets and other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Health Unit classifies cash and cash equivalents as held-for-trading financial assets, accounts receivable as loans and receivables, and accounts payable and accrued liabilities as other financial liabilities.

#### Measurement Uncertainty

The preparation of consolidated 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 revenues and expenditures during the period. Actual results could differ from these estimates.

**The Corporation of the Leeds, Grenville & Lanark District Health Unit**  
**Notes to the Consolidated Financial Statements**

**December 31, 2011**

**2. Other Current Liabilities**

Other current liabilities are comprised of the following:

	2011	2010
	\$	\$
Ministry of Children and Youth Services		
▶ Healthy Babies / Health Children Program ▶ Operations	---	31,932
▶ Healthy Communities Partnership	14,968	19,235
▶ Healthy Smiles Ontario Program	72,525	50,640
Ministry of Health Promotion		
▶ Smoke Free Ontario	103,656	103,283
▶ Mentorship Program	---	10
Ministry of Health and Long-Term Care		
▶ Surplus	---	2,025
▶ Infection Control	74,849	148,823
▶ Small Drinking Water Program	5,019	4,922
▶ FOCUS Program	9,565	9,565
CIPHI	---	28
Cancer Care Ontario ▶ Fecal Occult Blood Testing	2,146	20
Language Express Program	20,733	102,597
	<b>303,461</b>	<b>473,080</b>

**3. Cash and Cash Equivalents**

The Health Unit has an available line of credit of \$300,000, with its corporate bankers, of which \$Nil was drawn against at December 31, 2011 ( 2010 \$Nil). This line of credit is unsecured and bears interest at prime less 0.75%.

Cash and cash equivalents comprised of:

	2011	2010
	\$	\$
Cash	1,010,720	724,808
Sick leave term deposit	2,727	2,552
Preschool language term deposit	25,000	---
Reserve	36,172	151,346
Investment	780,421	780,421
	<b>1,855,040</b>	<b>1,659,127</b>

# The Corporation of the Leeds, Grenville & Lanark District Health Unit

## Notes to the Consolidated Financial Statements

December 31, 2011

### 4. Pension Contributions

The Health Unit makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all permanent 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 amount contributed to OMERS was \$424,904 (2010 \$425,862) for current services and is included as an expenditure on the Consolidated Statement of Operations and Accumulated Surplus classified under the appropriate functional expenditure. Contributions by employees were a similar amount.

### 5. Long Term Liabilities

	2011	2010
	\$	\$
TD Bank mortgage (4.74%), repayable in blended monthly payments of \$7,564 amortized over 25 years, secured by Smiths Falls property, maturing July 2, 2015.	1,287,434	1,316,316

Principal payments fall due as follows:

	\$
2012	30,398
2013	31,870
2014	33,414
2015	35,035
2016 and thereafter	1,156,717
	1,287,434

### 6. Commitments

The Health Unit leases space for service sites in Gananoque, Kemptville and Perth Ontario. The aggregate lease payments over the next five years are estimated as follows:

	\$
2012	58,711
2013	31,157
2014	23,781
2015	23,781
2016	13,872
	151,302

**The Corporation of the Leeds, Grenville & Lanark District Health Unit**  
**Notes to the Consolidated Financial Statements**

**December 31, 2011**

**7. Accumulated Surplus**

Accumulated surplus consists of:

	2011	2010
	\$	\$
Surplus		
Invested in tangible capital assets	4,444,342	4,624,704
Long term liabilities	(1,287,434)	(1,316,316)
	<b>3,156,908</b>	3,308,388
Unrestricted Surplus (Deficit)		
Municipal	320,538	(182,456)
Land Control Program	175,130	134,155
	<b>495,668</b>	(48,301)
Reserves (Schedule 1)		
Payment of sick leave credits	2,868	2,580
General reserve	816,593	931,767
	<b>819,461</b>	934,347
<b>Total Accumulated Surplus</b>	<b>4,472,037</b>	4,194,434

**8. Tangible Capital Assets**

	2011	2010
	\$	\$
Land	250,000	250,000
Building Improvements	317,895	340,697
Buildings	2,778,132	2,874,908
Vehicles	43,790	49,263
Furniture and Equipment	909,987	944,641
Computer Equipment	137,436	159,626
Multi-Medial Equipment	7,103	5,569
	<b>4,444,343</b>	4,624,704

For additional information, see Schedule 2 ▶ Tangible Capital Assets.

# The Corporation of the Leeds, Grenville & Lanark District Health Unit

## Notes to the Consolidated Financial Statements

**December 31, 2011**

### 9. Segmented Information

The Health unit provides a wide range of services to its citizens. The services are provided by programs and their activities are reported in the statement of operations and accumulated surplus.

Programs have been separately disclosed in the segmented information, as set out in the schedule below.

For each reported segment, expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in note 1.

2011	Salaries, & Benefits	Fees for Services	Travel	Materials & Supplies	Rents & Utilities	Admini- strative	Other Expenses	Total
	\$	\$	\$	\$	\$			\$
Mandatory Programs	8,199,832	253,582	189,068	306,314	308,874	188,207	266,377	9,712,254
Land Control Program	289,191	22,237	36,550	2,719	3,306	62,594	---	416,597
Small Drinking Water Systems	143,919	2,523	9,972	5,014	2,700	9,997	---	174,125
Safe Water	10,994	---	---	407	---	224	---	11,625
Food Safe	19,858	---	---	689	---	7,583	---	28,130
Infection Control Program	389,091	---	10,506	4,623	---	21,005	---	425,225
Healthy Communities Partnership	---	---	---	618	---	5,723	---	6,341
Healthy Smiles Ontario	197,371	47,140	10,008	25,971	---	164,292	---	444,782
Smoke Free Ontario	254,771	6,322	14,876	51,813	---	12,846	---	340,628
Preschool Speech Language Program	258,629	1,768	4,058	5,110	11,443	42,971	---	323,979
Healthy Babies / Healthy Children Program	943,325	3,000	32,683	11,008	---	18,861	---	1,008,877
Ontario Works	---	461,983	---	---	---	---	---	461,983
Amortization	---	---	---	---	---	---	340,347	340,347
<b>2011</b>	<b>10,706,981</b>	<b>798,555</b>	<b>307,721</b>	<b>414,286</b>	<b>326,323</b>	<b>534,303</b>	<b>606,724</b>	<b>13,694,893</b>

**The Corporation of the Leeds, Grenville & Lanark District Health Unit**  
**Notes to the Consolidated Financial Statements**

**December 31, 2011**

**9. Segmented Information / continued**

2010	Salaries, & Benefits	Fees for Services	Travel	Materials & Supplies	Rents & Utilities	Admini- strative	Other Expenses	Total
	\$	\$	\$	\$	\$			\$
Mandatory Programs	7,815,227	278,166	205,812	225,687	346,279	410,365	398,420	9,679,956
Land Control Program	287,913	13,616	35,388	3,825	3,048	66,533	---	410,323
Small Drinking Water Systems	154,152	1,446	5,943	2,539	---	3,251	---	167,331
Safe Water	---	---	---	---	---	---	---	---
Food Safe	---	---	---	---	---	---	---	---
Infection Control Program	329,716	300	6,469	3,555	---	13,866	---	353,906
Healthy Communities Partnership	---	---	---	---	---	---	---	---
Healthy Smiles Ontario	63,549	1,987	3,269	---	---	154,399	---	223,204
Smoke Free Ontario	210,947	6,401	14,584	20,015	---	18,238	---	270,185
Preschool Speech Language Program	---	---	---	---	---	---	---	---
Healthy Babies / Healthy Children Program	951,455	4,573	29,771	4,337	---	19,340	---	1,009,476
Ontario Works	---	465,814	---	---	---	---	---	465,814
Amortization	---	---	---	---	---	---	301,637	301,637
<b>2010</b>	<b>9,812,959</b>	<b>772,303</b>	<b>301,236</b>	<b>259,958</b>	<b>349,327</b>	<b>685,992</b>	<b>700,057</b>	<b>12,881,832</b>

**10. Risk Management**

In the normal course of operations, the Health Unit is exposed to a variety of financial risks which are actively managed by the Health Unit.

The Health Unit's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities. The fair values of cash, investments, accounts payable and accrued liabilities approximate their carrying values because of their expected short term maturity and treatment on normal trade terms.

The Health Unit's exposure to and management of risk has not changed materially from December 31, 2010.

**(a) Credit Risk**

Credit risk arises from the possibility that the entities to which the Health Unit provides services to may experience difficulty and be unable to fulfill their obligations. The Health Unit is exposed to financial risk that arises from the credit quality of the entities to which it provides services. The Health Unit does not have a significant exposure to any individual customer or counter party. As a result, the requirement for credit risk related reserves for accounts receivable is minimal.

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**The Corporation of the Leeds, Grenville & Lanark District Health Unit  
Notes to the Consolidated Financial Statements**

**December 31, 2011**

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**10. Risk Management / continued**

**(b) Interest Rate Risk**

Interest rate risk arises from the possibility that the value of, or cash flows related to, a financial instrument will fluctuate as a result of changes in market interest rates. The Health Unit is exposed to financial risk that arises from the interest rate differentials between the market interest rate and the rates on its cash and cash equivalents and operating loan. Changes in variable interest rates could cause unanticipated fluctuations in the Health Unit's operating results.

**(c) Liquidity Risk**

Liquidity risk is the risk that the Health Unit will not be able to meet its obligations as they fall due. The Health Unit requires working capital to meet day-to-day operating activities. Management expects that the Health Unit's cash flows from operating activities will be sufficient to meet these requirements.

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**11. Contingent Liabilities**

The nature of the Health Unit's activities is such that there may be litigation pending or in prospect at any time. With respect to claims as at June 7, 2011, management believes that the Health Unit has valid defences and appropriate insurance coverages in place. In the event any claims are successful, management believes that such claims are not expected to have a material effect on the Health Unit's financial position.

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**12. Budget Figures**

The operating budget approved by the Health Unit, for 2011 is reflected on the Statement of Operations and Accumulated Surplus. The budgets established for capital investment in tangible capital assets are on a project oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. As well, the Health Unit does not budget activity within Reserves and Reserve Funds, with the exception being those transactions, which affect either operations or capital investments. Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements.

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**13. Comparative Figures**

The comparative information was reported on by another accounting firm. The prior year's information has been restated to conform with this year's presentation.

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**The Corporation of the Leeds, Grenville & Lanark District Health Unit**  
**Schedule 1 ▶ Continuity of Reserves and Reserve Funds**

For the year ended December 31	2011	(Note 13) 2010
	\$	\$
<b>Net Transfers From/(To) Other Funds</b>		
Transfers (to) from operations	(166,012)	588,251
Investment income	51,126	48,918
<b>Total Net Transfers</b>	<b>(114,886)</b>	637,169
<b>Reserves and Reserve Fund Balances, Change in Year</b>	<b>(114,886)</b>	637,169
<b>Reserves and Reserve Fund Balances, Beginning of Year</b>	<b>934,347</b>	297,178
<b>Reserves and Reserve Fund Balances, End of Year</b>	<b>819,461</b>	934,347

**Composition of Reserves and Reserve Funds**

For the year ended December 31	2011	(Note 13) 2010
	\$	\$
<b>Reserves set aside for specific purposes by Council:</b>		
▶ payment for sick leave credits	2,868	2,580
▶ general reserve	816,593	931,767
<b>Total Reserves and Reserve Funds</b>	<b>819,461</b>	934,347

The accompany notes are an integral part of these financial statements.



**The Corporation of the Leeds, Grenville & Lanark District Health Unit**  
**Schedule 2 ▶ 2011 Tangible Capital Assets**

Asset Class	Cost 01/01/11	Additions	Cost 31/12/11
	\$	\$	\$
Land	250,000	---	<b>250,000</b>
Building Improvements	382,581	19,000	<b>401,581</b>
Buildings	3,005,834	---	<b>3,005,834</b>
Vehicles	54,737	---	<b>54,737</b>
Furniture & Equipment	1,147,496	87,660	<b>1,235,156</b>
Computer Equipment	373,309	49,853	<b>423,162</b>
Multi Media Equipment	16,529	3,473	<b>20,002</b>
	<b>5,230,486</b>	<b>159,986</b>	<b>5,390,472</b>

Asset Class	Accumulated Amortization 01/01/11	Amortization	Accumulated Amortization 31/12/11	Net Book Value 31/12/11
	\$	\$	\$	\$
Land	---	---	---	<b>250,000</b>
Building Improvements	41,884	41,802	<b>83,686</b>	<b>317,895</b>
Buildings	130,926	96,776	<b>227,702</b>	<b>2,778,132</b>
Vehicles	5,474	5,473	<b>10,947</b>	<b>43,790</b>
Furniture & Equipment	202,855	122,314	<b>325,169</b>	<b>909,987</b>
Computer Equipment	213,683	72,043	<b>285,726</b>	<b>137,436</b>
Multi Media Equipment	10,960	1,939	<b>12,899</b>	<b>7,103</b>
	<b>605,782</b>	<b>340,347</b>	<b>946,129</b>	<b>4,444,343</b>

The accompany notes are an integral part of these financial statements.

**The Corporation of the Leeds, Grenville & Lanark District Health Unit**  
**Schedule 2 ▶ 2010 Tangible Capital Assets**

Asset Class	Cost 01/01/10	Additions	Cost 31/12/10
	\$	\$	\$
Land	250,000	---	<b>250,000</b>
Building Improvements	162,415	220,166	<b>382,581</b>
Buildings	1,412,334	1,593,500	<b>3,005,834</b>
Vehicles	---	54,737	<b>54,737</b>
Furniture & Equipment	795,501	351,995	<b>1,147,496</b>
Computer Equipment	362,725	10,584	<b>373,309</b>
Multi Media Equipment	16,529	---	<b>16,529</b>
	<b>2,999,504</b>	<b>2,230,982</b>	<b>5,230,486</b>

Asset Class	Accumulated Amortization 01/01/10	Amortization	Accumulated Amortization 31/12/10	Net Book Value 31/12/10
	\$	\$	\$	\$
Land	---	---	---	<b>250,000</b>
Building Improvements	7,945	33,939	<b>41,884</b>	<b>340,697</b>
Buildings	54,076	76,850	<b>130,926</b>	<b>2,874,908</b>
Vehicles	---	5,474	<b>5,474</b>	<b>49,263</b>
Furniture & Equipment	112,254	90,601	<b>202,855</b>	<b>944,641</b>
Computer Equipment	123,459	90,224	<b>213,683</b>	<b>159,626</b>
Multi Media Equipment	6,411	4,549	<b>10,960</b>	<b>5,569</b>
	<b>304,145</b>	<b>301,637</b>	<b>605,782</b>	<b>4,624,704</b>

The accompany notes are an integral part of these financial statements.

**The Corporation of the Leeds, Grenville & Lanark District Health Unit  
Land Control Program  
Schedule of Operations**

<b>For the year ended December 31</b>	<b>2011</b>	(Note 13) <b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Revenues</b>		
Sewage inspection fees and extensions	324,366	323,533
Subdivisions and variances	---	8,000
Severance fees and s-permits	89,725	100,817
Interest	816	67
Maintenance and third party fees	21,249	19,613
Miscellaneous	5,820	12,952
File search fees	15,596	18,000
	<b>457,572</b>	<b>482,982</b>
<b>Expenditures</b>		
Salaries and wages	236,135	238,128
Employee benefits	53,056	49,785
Fees for service	22,237	13,616
Travel	36,550	35,388
Materials and supplies	2,719	3,825
Rent	3,306	3,048
Administrative and allocated costs	62,594	66,533
	<b>416,597</b>	<b>410,323</b>
<b>Net Revenues for the Year</b>	<b>40,975</b>	<b>72,659</b>

**Healthy Babies / Health Children Program  
Schedule of Operations**

<b>For the year ended December 31</b>	<b>2011</b>	(Note 13) <b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Revenues</b>		
Provincial Grant ▶ MCYS	1,010,739	1,010,739
Other revenues	449	1,301
	<b>1,011,188</b>	<b>1,012,040</b>
<b>Expenditures</b>		
Salaries and wages	779,091	791,857
Employee benefits	164,234	159,598
Fees for service	3,000	4,573
Travel	32,683	29,771
Program supplies	11,008	4,337
Administrative	18,862	19,340
	<b>1,008,878</b>	<b>1,009,476</b>
<b>Net Revenues for the Year</b>	<b>2,310</b>	<b>2,564</b>

**The Corporation of the Leeds, Grenville & Lanark District Health Unit**  
**Smoke Free Ontario**  
**Schedule of Operations**

<b>For the year ended December 31</b>	<b>2011</b>	(Note 13) <b>2010</b>
	\$	\$
<b>Revenues</b>		
Provincial Grant ▶ Ministry of Health	340,432	282,562
Other revenue	1,336	2,712
	<b>341,768</b>	285,274
<b>Expenditures</b>		
Salaries and wages	213,089	175,362
Benefits	41,682	35,585
Fees for service	6,323	6,401
Program materials and supplies	51,813	20,015
Travel and meetings	14,876	14,584
Administration	12,845	18,238
	<b>340,628</b>	270,185
<b>Net Revenues for the Year</b>	<b>1,140</b>	15,089

**Preschool Speech Language**  
**Schedule of Operations**

<b>For the year ended December 31</b>	<b>2011</b>	(Note 13) <b>2010</b>
	\$	\$
<b>Revenues</b>		
Provincial Grant ▶ Ministry of Health	328,897	---
Other revenues	3,711	---
	<b>332,608</b>	---
<b>Expenditures</b>		
Salaries and wages	211,881	---
Benefits	46,748	---
Fees for services	1,768	---
Program materials and supplies	4,058	---
Travel and meetings	5,110	---
Rent and utilities	11,443	---
Administrative	42,971	---
	<b>323,979</b>	---
<b>Net Revenues for the Year</b>	<b>8,629</b>	---