

Financial Statements of

**PITTSBURGH COMMUNITY  
BENEFIT FUND**

Year ended December 31, 1999



KPMG LLP  
Chartered Accountants

863 Princess Street Suite 400  
PO Box 1600 Stn Main  
Kingston ON K7L 5C8  
Canada

Telephone (613) 549-1550  
Telefax (613) 549-6349  
www.kpmg.ca

## AUDITORS' REPORT TO THE STAKEHOLDERS

We have audited the balance sheet of Pittsburgh Community Benefit Fund as at December 31, 1999 and the statements of revenue and expenditures, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Fund'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 Fund as at December 31, 1999 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

**KPMG LLP**

Chartered Accountants

Kingston, Canada  
March 8, 2000



# **PITTSBURGH COMMUNITY BENEFIT FUND**

## **Financial Statements**

Year ended December 31, 1999

### **Financial Statements**

|                                    |   |
|------------------------------------|---|
| Balance Sheet                      | 1 |
| Statement of Earnings              | 2 |
| Statement of Changes in Net Assets | 3 |
| Statement of Cash Flows            | 4 |
| Notes to Financial Statements      | 5 |

# PITTSBURGH COMMUNITY BENEFIT FUND

## Balance Sheet

December 31, 1999, with comparative figures for 1998

|                        | 1999                | 1998                |
|------------------------|---------------------|---------------------|
| <b>Assets</b>          |                     |                     |
| Current assets:        |                     |                     |
| Cash                   | \$ 56,000           | \$ 291,244          |
| Short-term investments | 3,700,005           | 4,522,650           |
| Accrued Interest       | 13,391              | 21,601              |
|                        | <u>3,769,396</u>    | <u>4,835,495</u>    |
| Land                   | 107,755             | 107,755             |
|                        | <u>\$ 3,877,151</u> | <u>\$ 4,943,250</u> |

## Liabilities and Net Assets

|  |                     |                     |
|--|---------------------|---------------------|
| Current liabilities:                     |                     |                     |
| Accounts payable and accrued liabilities | \$ 7,455            | \$ 10,594           |
| Net assets:                              |                     |                     |
| Invested in capital assets               | 107,755             | 107,755             |
| Externally restricted                    | 100,000             | 611,308             |
| Internally restricted (note 4)           | 3,524,199           | -                   |
| Unrestricted                             | 137,742             | 4,213,593           |
|  | <u>3,869,696</u>    | <u>4,932,656</u>    |
|  | <u>\$ 3,877,151</u> | <u>\$ 4,943,250</u> |

See accompanying notes to financial statements.

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

# PITTSBURGH COMMUNITY BENEFIT FUND

## Statement of Earnings

Year ended December 31, 1999, with comparative figures for 1998

|  | 1999             | 1998             |
|--|------------------|------------------|
| <b>Revenue:</b>                            |                  |                  |
| Grants Revenue                             | \$ -             | \$ 5,695,000     |
| Interest Revenue                           | 211,944          | 255,833          |
| Other Income                               | -                | 4,632            |
|  | <u>211,944</u>   | <u>5,955,465</u> |
| <b>Expenditures:</b>                       |                  |                  |
| Holy Name School project                   | -                | 8,000            |
| Middle Road Tree Planting project          | -                | 18,692           |
| LaSalle project                            | 112,000          | 488,000          |
| Swimming Pool project                      | -                | 215,204          |
| Library project                            | 822,440          | 100,000          |
| Fort Henry project                         | -                | 100,000          |
| Emergency Services project                 | 89,500           | -                |
| Field House project                        | 25,000           | -                |
| Joyceville Playground project              | 21,000           | -                |
| Barrifield Rock Garden project             | 15,000           | -                |
| St. Martha's Catholic School project       | 24,200           | -                |
| Comm. & Electronics Museum project         | 26,590           | -                |
| J.E. Horton Computer Lab project           | 75,050           | -                |
| Heritage Tattoo project                    | 10,000           | -                |
| Pittsburgh Sheep Dog Trials project        | 15,000           | -                |
| Pool Referendum project                    | -                | 15,749           |
| Donations                                  | 10,850           | -                |
| Bank service charges                       | -                | 49               |
| Professional fees                          | 16,477           | 35,075           |
| Insurance                                  | 4,446            | 4,690            |
| Meeting                                    | -                | 479              |
| Communication                              | 7,021            | 6,445            |
| Winterfest                                 | -                | 2,913            |
| Miscellaneous                              | 50               | 6,504            |
| GST  | 280              | 21,009           |
|  | <u>1,274,904</u> | <u>1,022,809</u> |
| <b>Excess of revenue over expenditures</b> |                  |                  |
| (expenditures over revenue)                | \$ (1,062,960)   | \$ 4,932,656     |

See accompanying notes to financial statements.

# PITTSBURGH COMMUNITY BENEFIT FUND

Statement of Changes in Net Assets

Year ended December 31, 1999, with comparative figures for 1998

|  | 1999                          |                          |                          |                   | 1998                |                     |
|--|-------------------------------|--------------------------|--------------------------|-------------------|---------------------|---------------------|
|  | Invested in<br>Capital Assets | Externally<br>Restricted | Internally<br>Restricted | Unrestricted      | Total               | Total               |
| Balance, beginning of year             | \$ 107,755                    | \$ 611,308               | \$ -                     | \$ 4,213,593      | \$ 4,932,656        | \$ -                |
| Excess of revenue over<br>expenditures | -                             | (511,308)                | -                        | (551,652)         | (1,062,960)         | 4,932,656           |
| Interfund transfer (note 4)            | -                             | -                        | 3,524,199                | (3,524,199)       | -                   | -                   |
| <b>Balance, end of year</b>            | <b>\$ 107,755</b>             | <b>\$ 100,000</b>        | <b>\$ 3,524,199</b>      | <b>\$ 137,742</b> | <b>\$ 3,869,696</b> | <b>\$ 4,932,656</b> |

See accompanying notes to financial statements.

# PITTSBURGH COMMUNITY BENEFIT FUND

## Statement of Cash Flows

Year ended December 31, 1999, with comparative figures for 1998

|   | 1999           | 1998         |
|---|----------------|--------------|
| Cash provided by (used in):                         |                |              |
| Operations:   |                |              |
| Revenue over expenditure (expenditure over revenue) | \$ (1,062,960) | \$ 4,932,656 |
| Change in non-cash operating working capital:       |                |              |
| Accrued interest                                    | 8,210          | (21,601)     |
| Accounts payable and accrued liabilities            | (3,139)        | 10,594       |
|   | 5,071          | (11,007)     |
|   | (1,057,889)    | 4,921,649    |
| Investments:  |                |              |
| Purchase of property, plant and equipment           | -              | (107,755)    |
| Decrease (increase) in short-term investments       | 822,645        | (4,522,650)  |
|   | 822,645        | (4,630,405)  |
| Increase (decrease) in cash position                | (235,244)      | 291,244      |
| Cash position, beginning of year                    | 291,244        | -            |
| Cash position, end of year                          | \$ 56,000      | \$ 291,244   |

See accompanying notes to financial statements.

# PITTSBURGH COMMUNITY BENEFIT FUND

Notes to Financial Statements

Year ended December 31, 1999

---

## General:

Pittsburgh Community Benefit Fund is incorporated without share capital under the laws of Ontario. Its principle activity is to enhance the quality of life of residents in the former Township of Pittsburgh.

### 1. Significant accounting policies:

#### (a) Fund accounting:

Pittsburgh Community Benefit Fund follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and operating grants.

The Externally Restricted Fund reports only restricted resources that are to be used for projects specified by the former Township of Pittsburgh.

The Internally Restricted Fund reports resources which have been restricted through internal board decisions (note 4).

#### (b) Use of estimates:

Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from these estimates.

### 2. Financial statement period:

The comparative figures cover revenue and expenditures from inception of November 18, 1997 to December 31, 1998.



# PITTSBURGH COMMUNITY BENEFIT FUND

Notes to Financial Statements (continued)

Year ended December 31, 1999

---

### **3. Uncertainty due to the Year 2000 Issue:**

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems arise in some systems which use certain date in 1999 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the entity, including those related to customers, suppliers, or other third parties, have been fully resolved.

### **4. Interfund transfers and internally restricted net assets:**

In 1999, the board of directors internally restricted \$3,524,199 of the previously unrestricted invested funds. The interest earned on the invested funds is to be used to provide for current projects.

The principal amount of the internally restricted funds is not to be used for current projects except for the following projects that were grandfathered by the board: Joyceville school project, signage project, and the library loan.

During the year, the library loan was paid out leaving the Joyceville school project and the signage project outstanding.