

Financial Statements of

**PITTSBURGH COMMUNITY
BENEFIT FUND**

Year ended December 31, 2000



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AUDITORS' REPORT TO THE STAKEHOLDERS

We have audited the balance sheet of Pittsburgh Community Benefit Fund as at December 31, 2000 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, 2000 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 15, 2001



PITTSBURGH COMMUNITY BENEFIT FUND

Financial Statements

Year ended December 31, 2000

Financial Statements

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PITTSBURGH COMMUNITY BENEFIT FUND

Balance Sheet

December 31, 2000, with comparative figures for 1999

	2000	1999
Assets		
Current assets:		
Cash	\$ 677,714	\$ 56,000
Short-term investments (note 2)	2,955,204	3,700,005
Accrued interest	32,617	13,991
	<u>3,665,535</u>	<u>3,769,396</u>
Land	107,755	107,755
	<u>\$ 3,773,290</u>	<u>\$ 3,877,151</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 7,428	\$ 7,455
Net assets:		
Invested in capital assets	107,755	107,755
Externally restricted	100,000	100,000
Internally restricted (note 3)	3,449,643	3,524,199
Unrestricted	108,464	137,742
	<u>3,765,862</u>	<u>3,869,696</u>
Commitments (note 4)		
	<u>\$ 3,773,290</u>	<u>\$ 3,877,151</u>

See accompanying notes to financial statements.

On behalf of the Board:

_____ Director

_____ Director

PITTSBURGH COMMUNITY BENEFIT FUND

Statement of Revenue and Expenditures

Year ended December 31, 2000, with comparative figures for 1999

	2000	1999
Interest revenue	\$ 222,772	\$ 211,944
Expenditures:		
LaSalle project	-	112,000
Library project	138,810	822,440
Emergency Services project	-	89,500
Field House project	-	25,000
Joyceville Playground project	140,000	21,000
Barrifield Rock Garden project	4,000	15,000
St. Martha's Catholic School project	-	24,200
Comm. & Electronics Museum project	-	26,580
J.E. Horton Computer Lab project	-	75,050
Heritage Tattoo project	-	10,000
Pittsburgh Sheep Dog Trials project	10,000	15,000
Outdoor Music Concert project	2,226	-
Scholarship project	6,000	-
Donations	665	10,850
Professional fees	5,353	16,477
Insurance	4,446	4,446
Meeting	249	-
Communication	7,796	7,021
Winterfest	2,200	-
Miscellaneous	75	50
GST	-	280
Municipal taxes	4,786	-
	326,606	1,274,904
Excess of expenditures over revenue	\$ (103,834)	\$ (1,062,960)

See accompanying notes to financial statements.

PITTSBURGH COMMUNITY BENEFIT FUND

Statement of Changes in Net Assets

Year ended December 31, 2000, with comparative figures for 1999

	2000			1999		
	Invested in Capital Assets	Externally Restricted	Internally Restricted	Unrestricted	Total	Total
Balance, beginning of year	\$ 107,755	\$ 100,000	\$ 3,524,199	\$ 137,742	\$ 3,869,696	\$ 4,932,658
Excess of revenue over expenditures (expenditures over revenue)	-	-	(74,556)	(29,278)	(103,834)	(1,082,960)
Balance, end of year	\$ 107,755	\$ 100,000	\$ 3,449,643	\$ 108,464	\$ 3,765,862	\$ 3,869,696

See accompanying notes to financial statements.

PITTSBURGH COMMUNITY BENEFIT FUND

Statement of Cash Flows

Year ended December 31, 2000, with comparative figures for 1999

	2000	1999
Cash provided by (used in):		
Operations:		
Excess of expenditures over revenue	\$ (103,834)	\$ (1,062,960)
Change in non-cash operating working capital:		
Accrued interest	(19,226)	8,210
Accounts payable and accrued liabilities	(27)	(3,139)
	(19,253)	5,071
	(123,087)	(1,057,889)
Investments:		
Redemption of short-term investments	3,700,005	4,522,850
Purchases of short-term investments	(2,955,204)	(3,700,005)
	744,801	822,845
Increase (decrease) in cash and cash equivalents	621,714	(235,244)
Cash and cash equivalents, beginning of year	56,000	291,244
Cash and cash equivalents, end of year	\$ 677,714	\$ 56,000

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

See accompanying notes to financial statements.

PITTSBURGH COMMUNITY BENEFIT FUND

Notes to Financial Statements

Year ended December 31, 2000

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 3).

(b) 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 revenues and expenses during the period. Actual results could differ from those estimates.

2. Short-term investments:

The market value of the short-term securities is \$3,046,494 (1999 - \$3,700,005).

PITTSBURGH COMMUNITY BENEFIT FUND

Notes to Financial Statements (continued)

Year ended December 31, 2000

3. 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 1999, the library loan was paid out and during 2000, the Joyceville school project was paid out leaving the signage project outstanding. The board of directors approved a motion to preserve the capital of the fund by charging the current year earnings with an inflation factor. The current year inflation factor for 2000 was \$65,444.

4. Commitments:

The board of directors approved funding for the Historical Society to purchase plaques in the amount of \$7,500. The payment to the Historical Society has not been made as of December 31, 2000.