

Financial Statements of

**PITTSBURGH COMMUNITY
BENEFIT FUND**

Year ended December 31, 2002



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AUDITORS' REPORT TO THE STAKEHOLDERS

We have audited the balance sheet of Pittsburgh Community Benefit Fund as at December 31, 2002 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, 2002 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 1, 2003



PITTSBURGH COMMUNITY BENEFIT FUND

Financial Statements

Year ended December 31, 2002

Financial Statements

Balance Sheet	1
Statement of Revenue and Expenditures	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, 2002, with comparative figures for 2001

	2002	2001
Assets		
Current assets:		
Cash	\$ 872,869 ✓	\$ 731,749
Accrued interest	55,201 ✓	56,123
	928,070	787,872
Investments (note 2)	2,944,945 ✓	2,985,172
Land, at cost	107,755 ✓	107,755
	\$ 3,980,770	\$ 3,880,799

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 4,968 ✓	\$ 3,506
Net assets:		
Invested in capital assets	107,755	107,755
Internally restricted (note 3)	3,625,036	3,543,535
Unrestricted	243,011	226,003
	3,975,802	3,877,293
Subsequent event (note 4)		
	\$ 3,980,770	\$ 3,880,799

See accompanying notes to financial statements.

On behalf of the Board:

_____ Director

_____ Director

107,754.58
243,011

PITTSBURGH COMMUNITY BENEFIT FUND

Statement of Revenue and Expenditures

1,000,000
300
2023

Year ended December 31, 2002, with comparative figures for 2001

	2003	2002	2001
Revenue:			
Interest revenue	179,771 \$	193,258 \$	226,879
Gain (loss) on sale of investments	(8,307)	(41,322)	38,344
	<u>171,464</u>	151,936	265,223
Expenditures:			
Projects:			
Holy Name School project	4,207 ✓	17,211	20,000
Scholarship project	11,000 ✓	7,000	5,000
Barrifield Rock Garden project	5,000 ✓	4,000	4,000
Pittsburgh Sheep Dog Trials project	2,500 ✓	2,500	5,000
Winterfest	2,500 ✓	2,500	2,500
Outdoor Music Concert project	1,452 ✓	884	468
Emergency Services project	5,000 ✓	500	-
Grass Creek Park project	918 ✓	-	68,215
LaSalle School project	7,500 ✓	-	20,000
Donations	24,057 ✓	-	13,100
	<u>71,364</u>	34,595	138,283
Administrative:			
Insurance	5,885 ✓	5,374	4,446
Professional fees	5,164 ✓	4,974	5,502
Municipal taxes	3,615 ✓	3,692	3,693
Meetings	1,335 ✓	1,776	1,759
Miscellaneous and office	512 ✓	1,719	109
Communications	1,497 ✓	1,272	-
Bank service charges	-	25	-
	<u>18,008</u>	18,832	15,509
	<u>89,372</u>	53,427	153,792
Excess of revenue over expenditures	<u>82,369</u> \$	98,509 \$	111,431

See accompanying notes to financial statements.

OPENING NET ASSETS:		
RESTRICTED	3,625,036	a
LAND	107,755	b
UNRESTRICTED	243,011	c
	<u>3,975,802</u>	d
ADD: RESTRICTED (UN-SWAN)	18,195	e
SURPLUS, 2003	82,369	f
	<u>4,076,366</u>	g
LESS: LAND	107,755	=b
PREVIOUSLY RESTRICTED	3,643,231	=a+c
RESTRICTED THIS YR	72,865	(276)
= NET UNRESTRICTED	<u>252,515</u>	

PITTSBURGH COMMUNITY BENEFIT FUND

Statement of Changes in Net Assets

Year ended December 31, 2002, with comparative figures for 2001

	2002			2001	
	Invested in Capital Assets	Internally Restricted	Unrestricted	Total	Total
Balance, beginning of year	\$ 107,755	\$ 3,543,535	\$ 226,003	\$ 3,877,293	\$ 3,765,862
Excess of revenue over expenditures	-	-	98,509	98,509	111,431
Interfund transfer (note 3)	-	81,501	(81,501)	-	-
Balance, end of year	\$ 107,755	\$ 3,625,036	\$ 243,011	\$ 3,975,802	\$ 3,877,293

See accompanying notes to financial statements.

PITTSBURGH COMMUNITY BENEFIT FUND

Statement of Cash Flows

Year ended December 31, 2002, with comparative figures for 2001

	2002	2001
Cash provided by (used in):		
Operations:		
Excess of revenue over expenditures	\$ 98,509	\$ 111,431
Loss (gain) on sale of investments	41,322	(38,344)
Change in non-cash operating working capital:		
Accrued interest	922	(23,506)
Accounts payable and accrued liabilities	1,462	(3,922)
	2,384	(27,428)
	142,215	45,659
Investments:		
Redemption of investments	689,000	1,103,904
Purchases of investments	(690,095)	(1,095,528)
	(1,095)	8,376
Increase in cash and cash equivalents	141,120	54,035
Cash and cash equivalents, beginning of year	731,749	677,714
Cash and cash equivalents, end of year	\$ 872,869	\$ 731,749
Supplemental cash flow information:		
Interest received	\$ 192,968	\$ 212,927

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, 2002

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 Internally Restricted Fund reports resources which have been restricted through internal board decisions (note 3).

(b) Investments:

Investments are recorded at the lower of cost and market value.

(c) 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. Investments:

The market value of investments is \$3,115,963 (2001 - \$3,128,280).

PITTSBURGH COMMUNITY BENEFIT FUND

Notes to Financial Statements (continued)

Year ended December 31, 2002

3. Interfund transfers and internally restricted net assets:

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

The board of directors also approved a motion to preserve the capital of the internally restricted fund by charging the current year earnings with an inflation factor. The current year inflation factor for 2002 of 2.3% resulted in an amount of \$81,501 (2001 - \$95,675) being transferred to internally restricted funds.

4. Subsequent event:

In March of 2003, the Pittsburgh Community Benefit Fund approved support for the J.E. Hulton School Outdoor Centre in the amount of \$80,000.

5. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.