

TOWNSHIP OF TERRACE BAY  
 CONSOLIDATED BALANCE SHEET  
 AS AT DECEMBER 31, 1971

ASSETS (note 3)	1971	1970	LIABILITIES	1971	1970
Current assets	\$	\$	Current liabilities (note 3)	\$	\$
Cash	112,716	80,012	Temporary loans		
Accounts receivable	20,624	20,830	Accounts payable and accrued liabilities	15,807	9,915
Taxes receivable	4,713	11,281	Other current liabilities	<u>15,377</u>	<u>34,212</u>
Other current assets			(note 8)	<u>31,184</u>	<u>44,127</u>
	<u>138,053</u>	<u>112,123</u>			
Capital outlay to be recovered in future years (note 5)	45,561	55,843	Net long term liabilities	45,561	55,843
Other long term assets			Reserves and reserve funds	92,264	48,264
	<u>183,614</u>	<u>167,966</u>	Surplus (deficit) and unapplied capital receipts	<u>14,605</u>	<u>19,732</u>
				<u>183,614</u>	<u>167,966</u>

TOWNSHIP OF TERRACE BAY  
 NOTES TO FINANCIAL STATEMENTS

I. Charges for net long term liabilities

Total charges for the year for net long term liabilities were as follows:

Principal payments	\$10,282
Interest payments	<u>3,915</u>
	<u>\$14,197</u>

Of the total charges shown above \$2,500 and \$7,749 were paid from the general revenues of the municipality and from the special area account respectively, and are included in expenditures classified under the appropriate functional headings. The balance of \$3,948 was recovered from the waterworks operating account.

2. Contributions to reserve fund

An amount of \$44,000 was set aside in a reserve fund for public works capital expenditure. This contribution is included in the statement of revenue and expenditure classified under the functional heading of public works expenditure.

3. Basis of consolidation

The consolidated balance sheet reflects the assets and liabilities of the revenue fund, the capital fund and all reserve funds of the municipality. Cemetery trust fund assets of \$2,453 which are administered by the municipality have not been consolidated, nor have the assets and liabilities of any local boards or utility services of the municipality.

4. Net long term liabilities

Total long term liabilities incurred by the municipality and outstanding at the end of the year amount to \$621,561

Of the long term liabilities shown above the responsibility for payment of principal and interest charges has been assumed by the Lake Superior Board of Education for a principal amount of \$576,000

Net long term liabilities at the end of the year \$ 45,561

5. Capital outlay to be recovered in future years

Some capital outlay does not represent a burden on general municipal revenues, as it is to be recovered in future years from other sources.

Special area for sewer work	\$ 23,531
Municipal enterprises - waterworks	<u>15,687</u>
	<u>\$ 39,218</u>

6. Surplus

The surplus at December 31, 1971, shown on the statement of revenue and expenditure and the consolidated balance sheet consists of the following items:

General revenue fund surplus	\$ 7,095
Urban service area surplus	<u>7,510</u>
	<u>\$ 14,605</u>

This represents a change in procedure in that in prior years the surplus or deficit did not include that of the urban service area. The service area surplus was previously reflected as a liability on the balance sheets.