

**ATIKOKAN ECONOMIC  
DEVELOPMENT CORPORATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

**ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION**

**DECEMBER 31, 2008**

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**Viherjoki  
Busniuk & Kelly**  
CHARTERED ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS

Seppo T. Viherjoki, CA | Jeffrey J. Busniuk, CA | Daniel P. Kelly\*, CA

\*denotes Professional Corporation

Suite 201 - 920 Tungsten Street  
Thunder Bay, Ontario P7B 5Z6

Website: vbkca.com

Telephone: (807) 345-1890

Fax: (807) 345-2623

Toll-Free: 1-800-665-3193

E-mail: vbk@vbkca.com

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## AUDITORS' REPORT

### To the Directors of Atikokan Economic Development Corporation

We have audited the statement of financial position of the Atikokan Economic Development Corporation as at December 31, 2008 and the statement of operations and changes in fund balances for the operating fund, FedNor projects fund, Ministry of Training, Colleges and Universities projects fund and investment capital fund and the statement of cash flows for the year then ended. These financial statements are the responsibility of the Corporation'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 Corporation as at December 31, 2008 and the results of its operations and change in fund balances and cash flows for the year then ended in accordance with Canadian generally accepted accounting policies.

Thunder Bay, Canada  
March 13, 2009

*Viherjoki Busniuk & Kelly*

CHARTERED ACCOUNTANTS  
Licensed Public Accountants

# ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

## STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2008

	Operating Fund	FedNor Projects Fund	Ministry of Training, Colleges and Universities Projects Fund	Investment Capital Fund	Total 2008	Total 2007
<b>ASSETS</b>						
<b>Current</b>						
Cash	\$ 20,442	\$	\$ 100	\$	\$ 20,542	\$ 5,701
Accounts receivable	4,198			5,238	9,436	5,387
Contributions receivable						
FedNor						
- Local Initiative		5,000			5,000	4,760
- Youth Intern						
Ministry of Training, Colleges and Universities						
- Self Employment Benefit			3,510		3,510	4,854
- Atikokan Employment Centre			791		791	
Province of Ontario - LLAC	19,770				19,770	
Township of Atikokan						
Prepaid expenditures	917				917	11,000
Deferred project costs - White Otter Productions						962
Inventory				80	80	25,000
	45,327	5,000	4,401	5,318	60,046	57,759
	8,939				8,939	10,000
<b>Capital Assets, (Note 4)</b>	54,266	5,000	4,401	5,318	68,985	67,759
<b>Restricted Assets</b>						
Cash and short term				157,986	157,986	43,261
investments (Note 5)				2,614,582	2,614,582	2,604,361
Investments (Note 6)				2,772,568	2,772,568	2,647,622
	\$ 54,266	\$ 5,000	\$ 4,401	\$ 2,777,886	\$ 2,841,553	\$ 2,715,381

# ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

DECEMBER 31, 2008

	Operating Fund	FedNor Projects Fund	Ministry of Training, Colleges and Universities Projects Fund	Investment Capital Fund	Total 2008	Total 2007
<b>LIABILITIES</b>						
<b>Current</b>						
Accounts payable	\$ 18,331	\$	\$	\$ 4,542	\$ 22,873	\$ 14,648
Deferred revenue						
Ministry of Training, Colleges and Universities - AEC						86
Northern Ontario Heritage Fund Corporation	13,535				13,535	25,000
Township of Atikokan - DARC	350				350	1,208
Ontario Trillium Foundation	4,615				4,615	
Other						242
Deferred capital contributions (Note 7)	(12,496)	5,000	4,401	3,095		
Interfund balances	24,335	5,000	4,401	7,637	41,373	41,184
<b>FUND BALANCES</b>						
Invested in capital assets (Note 8)	8,939				8,939	9,759
Restricted (Note 9)	9,153			2,770,249	2,779,402	2,658,012
Unrestricted	11,839				11,839	6,426
	29,931			2,770,249	2,800,180	2,674,197
	\$ 54,266	\$ 5,000	\$ 4,401	\$ 2,777,886	\$ 2,841,553	\$ 2,715,381

Approved by the Board: \_\_\_\_\_

Approved by the Board: \_\_\_\_\_

**ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION**

**STATEMENT OF CHANGES IN FUND BALANCES**

**YEAR ENDED DECEMBER 31, 2008**

	Operating Fund	Invested in Capital Assets	FedNor Projects Fund	Ministry of Training, Colleges and Universities Projects Fund	Investment Capital Fund	Total 2008	Total 2007
<b>Fund Balance, beginning of year</b>	\$ 15,579	\$ 9,759	\$	\$	\$ 2,648,859	\$ 2,674,197	\$ 3,019,498
Excess (Deficiency) of Revenues over Expenditures	4,593						
Reallocate the depreciation of capital assets	8,807	(8,807)			121,390	125,983	(345,301)
Reallocation of deferred capital contributions revenue	(242)	242					
Purchase of capital assets	(7,745)	7,745					
<b>Fund Balance, end of year</b>	<u>\$ 20,992</u>	<u>\$ 8,939</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,770,249</u>	<u>\$ 2,800,180</u>	<u>\$ 2,674,197</u>

# ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

## STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2008

	Operating Fund	FedNor Projects Fund	Ministry of Training, Colleges and Universities Projects Fund	Investment Capital Fund	Total 2008	Total 2007
<b>REVENUE</b>						
FedNor/Industry Canada						
Operating contribution	\$ 300,000	\$ 59,913	\$	\$ 500,000	\$ 859,913	\$ 356,855
Capital contributions (Note 7)	242				242	241
Northern Ontario Heritage Fund Corporation						
- Youth Intern						
- Emerging Technology Ministry of Training, Colleges and Universities	25,000				25,000	11,435
Investment income			323,848			
Ontario Trillium Foundation	8,150			133,879	323,848	152,665
Municipality of Atikokan	40,000				133,879	156,225
Administration charges - AEC	23,664				40,000	40,000
Other	12,403		200	250	23,664	23,528
Project Revenue					12,853	7,001
Career Fair	3,860				3,860	3,500
DARC	7,979				7,979	290
Interfund	6,924		(6,924)			
	<u>428,222</u>	<u>59,913</u>	<u>317,124</u>	<u>634,129</u>	<u>1,439,388</u>	<u>751,740</u>

# ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

## STATEMENT OF OPERATIONS (Continued)

YEAR ENDED DECEMBER 31, 2008

	Operating Fund	FedNor Projects Fund	Ministry of Training, Colleges and Universities Projects Fund	Investment Capital Fund	Total 2008	Total 2007
<b>EXPENDITURES (Schedule A)</b>						
Salaries and benefits	\$ 235,913	\$ 11,578	\$ 171,074	\$	\$ 418,565	\$ 363,538
Occupancy and equipment	64,955		24,618		89,573	91,557
Directors' expense	7,423				7,423	8,802
Community development	64,687	50,000	670		115,357	72,715
Administration	39,972		120,969		160,941	70,769
<b>OTHER EXPENDITURES</b>						
Depreciation	8,807				8,807	7,962
Bad debts						3,610
Bank charges and interest				189	189	110
Investment provision				512,550	512,550	477,978
Interfund	1,872	(1,665)	(207)			
	423,629	59,913	317,124	512,739	1,313,405	1,097,041
<b>Excess (Deficiency) of Revenue over Expenditures</b>	\$ 4,593	\$	\$	\$ 121,390	\$ 125,983	\$ (345,301)

**ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED DECEMBER 31, 2008**

	Operating Fund	FedNor Projects Fund	Ministry of Training, Colleges and Universities Projects Fund	Investment Capital Fund	Total 2008	Total 2007
<b>CASH PROVIDED BY (USED UP) IN: OPERATING ACTIVITIES</b>						
Revenues over expenses for the year	\$ 4,593	\$	\$	\$ 121,390	\$ 125,983	\$ (345,301)
Items not involving cash						
Capital contributions	(242)				(242)	(241)
Depreciation	8,807				8,807	7,962
Provision for doubtful loans				512,363	512,363	477,977
Changes in non-cash operating working balances						
Accounts receivable	1,189			(5,238)	(4,049)	5,559
Contributions receivable	(8,771)	(240)	553		(8,458)	9,108
Prepaid expenditures	45	25,000			25,045	(24,635)
Inventory				15	15	19
Accounts payable	3,683			4,542	8,225	(7,277)
	9,304	24,760	553	633,072	667,689	123,171
<b>INVESTING ACTIVITIES</b>						
Purchase of capital assets	(7,745)				(7,745)	(12,102)
Investments advanced				(978,186)	(978,186)	(723,902)
Investments repaid	(7,745)			455,602	455,602	277,564
				(522,584)	(530,329)	(458,440)
<b>FINANCING ACTIVITIES</b>						
Deferred revenue	17,292	(25,000)	(86)		(7,794)	15,351
<b>INTERFUND TRANSFERS</b>						
	(4,010)	240	(467)	4,237		
<b>INCREASE (DECREASE) IN CASH</b>	14,841			114,725	129,566	(319,918)
Cash, beginning of year	5,601		100	43,261	48,962	368,880
Cash, end of year	20,442		100	157,986	178,528	48,962
<b>Cash consists of:</b>						
Unrestricted cash	\$ 20,442	\$	\$ 100	\$	\$ 20,542	\$ 5,701
Restricted cash				117,196	117,196	3,261
Restricted short term investments				40,790	40,790	40,000
	20,442		100	157,986	178,528	48,962

**ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2008****INCORPORATION**

Atikokan Economic Development Corporation is incorporated under the laws of Ontario as a non-profit corporation without share capital and is exempt from tax under the Income Tax Act.

The Corporation has an Operating Fund to cover the costs of providing business counselling and advisory services to the communities of Atikokan, Sapawe, Upsala, Lac La Croix First Nation and Seine River First Nation and their surrounding areas. The Operating Fund also assists these communities in developing a community work plan for the development and support of additional permanent private sector employment through research and projects.

The Corporation has an Investment Fund for the same communities to create new small businesses and to expand, stabilize and protect existing businesses resulting in the generation and maintenance of permanent employment.

**1. SIGNIFICANT ACCOUNTING POLICIES**

The Corporation follows Canadian generally accepted accounting principles. In the preparation of these financial statements, the more significant of these policies are:

(a) Fund Accounting

Revenues and expenses related to program delivery and administration activities are reported in the Operating Fund. Capital assets are purchased and amortized in the Operating Fund.

The FedNor Projects Fund reports the assets, liabilities, revenues and expenses related to the Corporation's Industry Canada/FedNor program delivery and administration activities.

The Ministry of Training, Colleges and Universities Projects Fund reports the assets, liabilities, revenues and expenses related to the Corporation's Ministry of Training, Colleges and Universities program delivery and administration activities.

Revenues and expenses related to investment activities are reported in the Investment Capital Fund. Investment income earned on resources of the Investment Capital Fund is reported in the Investment Capital Fund.

(b) Basis of accounting

These financial statements were prepared using the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal obligation to pay.

## ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

## 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Revenue Recognition

The deferral method of accounting for contributions is used whereby restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Dividends are recorded as investment income as they are received. In the event that an equity investment is converted into a loan during the year any capitalized dividends will be recorded as investment income to the extent that the loan is collectible as determined by management.

Interest income is recorded as earned unless the terms of the loan provide that interest payments shall not commence until 12 months after the date the funds are disbursed. Interest income will be recorded on these deferred interest loans when received. Interest income is recorded on a cash basis on those loans that are in default.

Administration charges result when contribution agreements permit an "overhead" charge equal to a percentage of identifiable eligible expenditures to be included in the project expenses for the purposes of calculating revenue earned.

Contributions relating to capital assets are credited to deferred capital contributions and recognized as revenue on the same basis as depreciation on the related asset is charged against operations.

(d) Investments

A loan is considered doubtful when in management's view the loan has suffered an impairment in value that is not considered temporary in which case the loan is written down to net realizable value. Once a loan client has defaulted on one or more of the loan agreement terms, management measures the value of the loan based on the expected future cash flows discounted at the loan's effective interest rate and on the estimated fair value of the security underlying the loan.

All equity investments are with incorporated private businesses and are subject to formal agreements. If in management's opinion equity investments have suffered an impairment in value, they are written down to net realizable value.

The Corporation has also estimated a General Provision for Uncollectible Investments based on past experience for all investments which no specific provision has been established.

(e) Inventory

Inventory consists of prints of the White Otter Castle. They are valued at \$1 each and proceeds are recorded as investment recoveries in the Investment Capital Fund as they are sold.

## ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

## 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Capital Assets

Capital assets are depreciated over the assets estimated useful life as follows:

Furniture and Fixtures	20% declining balance method
Computer equipment and software	2 years straight line method

Depreciation expense is reported in the Operating Fund.

(g) Provision for Future Expenditures

Provision is made in the accounts for a future liability where the Board of Directors has approved an expenditure out of the current year's budget and the expenditure has not yet been made.

(h) Financial Instruments

The Corporation classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired. The Corporation's accounting policy for each category is as follows:

Assets or liabilities held-for-trading

Financial instruments classified as assets or liabilities held-for-trading are reported at fair value at each balance sheet date, and any change in fair value is recognized in net income (loss) in the period during which the change occurs. Transaction costs are expensed when incurred.

Cash, temporary investments and inventory have been classified as held-for-trading.

Loans and receivables and other financial liabilities

Financial instruments classified as loans and receivables and other financial liabilities are carried at amortized cost using the effective interest method. Interest income or expense is included in net income (loss) over the expected life of the instrument. Transaction costs are expensed when incurred.

Accounts receivable have been classified as loans and receivables.

Accounts payable and long term debt have been classified as other financial liabilities.

Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency, or credit risks arising from its financial instruments.

**ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2008****1. SIGNIFICANT ACCOUNTING POLICIES (continued)****(i) Donated Goods and Services**

Donated goods and services in kind are to be recorded at fair market value where the fair value can be reasonably estimated by the Corporation and where the goods or services would have had to be purchased.

**(j) Use of Estimates**

The preparation of the 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

**2. ECONOMIC DEPENDENCE**

The Corporation is dependent on annual contributions from Industry Canada/FedNor in order to finance its general fund operations. Should these contributions cease, the Corporation would be unable to continue its current operations.

**3. INDUSTRY CANADA COMMUNITY FUTURES PROGRAM - CONTRIBUTION AGREEMENTS**

The Government of Canada renewed its funding agreement on December 18, 2008 for a one year period ending December 31, 2009. The agreement provides \$300,000 to the Operating Fund to cover the costs of providing business counselling and advisory services to the community and to maintain an Investment Capital Fund. This agreement contains specific restrictions on interest rates on Investment Capital Funds, how the funds are to be invested and how surplus funds can be used.

The Government of Canada entered into a funding agreement on January 20, 2009 for a one year period beginning January 1, 2009 and ending December 31, 2009. The agreement provides \$75,000 to the FedNor Projects Fund to carry out local community economic development projects identified by the Board of Directors and which conform to Industry Canada/FedNor LIC guidelines for the Local Initiatives Contribution program.

# **ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION**

## **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

### **4. CAPITAL ASSETS**

	<u>2008</u>		<u>2007</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture and fixtures	\$ 54,054	\$ 48,988	\$ 5,066	\$ 6,332
Computer equipment	<u>29,675</u>	<u>25,802</u>	<u>3,873</u>	<u>3,668</u>
	<u>\$ 83,729</u>	<u>\$ 74,790</u>	<u>\$ 8,939</u>	<u>\$ 10,000</u>

### **5. RESTRICTED CASH AND SHORT TERM INVESTMENTS**

This balance represents an investment bank account with a balance of \$117,196 and a money market cashable Guarantee Investment Certificate (GIC) with a market value of \$40,790 as at December 31, 2008. The GIC is compounded monthly at 3.0% interest on a principal of \$40,000. The GIC matures March 10, 2009.

### **6. INVESTMENTS**

	<u>2008</u>	<u>2007</u>
The activity in the Investment accounts is as follows:		
Opening balance	\$ 4,029,573	\$ 3,588,501
Investments advanced during the period	978,186	723,902
Investments written off during the period		(5,266)
Investments repaid during the period	<u>(455,602)</u>	<u>(277,564)</u>
Closing balance	4,552,157	4,029,573
Allowance for doubtful accounts	<u>(1,937,575)</u>	<u>(1,425,212)</u>
	<u>\$ 2,614,582</u>	<u>\$ 2,604,361</u>
Investment comprised of:		
Investments by AEDC	\$ 1,967,137	\$ 2,079,567
NWO Investment Pool	<u>647,445</u>	<u>524,794</u>
	<u>\$ 2,614,582</u>	<u>\$ 2,604,361</u>
Expected repayment of investments within the next year	<u>\$ 151,614</u>	<u>\$ 281,474</u>

# ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

### 6. INVESTMENTS (continued)

The activity in the Allowance for Doubtful Investments account is as follows:

Balance, beginning of period	\$ 1,425,212	\$ 952,501
Investments written off during the period		(5,266)
Current years provision for investment losses	<u>512,363</u>	<u>477,977</u>
Balance, end of year	\$ <u>1,937,575</u>	\$ <u>1,425,212</u>

The Corporation determines the Provision for Uncollectible Investments by providing for specific investment losses after reviewing outstanding investments on an investment-by-investment basis plus the use of an estimated provision based on past experience for all investments for which no specific provision has been established.

Investments receivable at December 31, 2008 consist of 82 loans, 1 profit-sharing investments and 1 equity investment wholly owned by the Corporation. The Corporation has also participated in 13 investments through the NWO Investment Pool including \$58,333 which has been advanced to the NWO Investment Pool but has not yet been loaned out. Generally the investments have repayment terms ranging from 12 to 60 months, amortization periods of up to 20 years and interest and dividend rates varying between 4.75% and 12% per year. Loans receivable include loans made directly by the Corporation to clients and loans where the Corporation has placed corporate funds with a bank as security for a client's line of credit.

As collateral for the investments, the Corporation generally requires either promissory notes, general security agreements, registered security charges over specific assets, conditional sales contracts, personal guarantees, postponements of claims or some combination thereof depending on the investment circumstances. Investments generally are not fully secured.

The loan principal payments due to be received over the next five years are as follows:

2009	\$ 367,748
2010	257,442
2011	215,150
2012	144,573
2013	69,122
Subsequent years	1,306,381
Unspecified	<u>254,166</u>
	\$ <u>2,614,582</u>

# **ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION**

## **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2008**

### **7. DEFERRED CAPITAL CONTRIBUTIONS**

Deferred contributions related to capital assets represent restricted contributions which were used for the purchase of capital assets. The changes in the deferred contributions balance for the year are as follows:

	<u><b>2008</b></u>	<u><b>2007</b></u>
Balance, beginning of year	\$ 242	\$ 483
Less amounts amortized to revenue	<u>242</u>	<u>241</u>
Balance, end of year	\$ <u>          </u>	\$ <u>242</u>

### **8. INVESTED IN CAPITAL ASSETS**

(a) Investment in capital asset is calculated as follows:

	<u><b>2008</b></u>	<u><b>2007</b></u>
Capital assets	\$ 8,939	\$ 10,000
Amounts financed by deferred capital contributions	<u>          </u>	<u>(241)</u>
Invested in capital assets	\$ <u>8,939</u>	\$ <u>9,759</u>

(b) Changes in net assets invested in capital assets is comprised of the following:

	<u><b>2008</b></u>	<u><b>2007</b></u>
Amortization of deferred capital contributions	\$ 242	\$ 241
Depreciation of capital assets	<u>(8,807)</u>	<u>(7,962)</u>
Deficiency of revenues over expenditures	(8,565)	(7,721)
Purchase of capital assets	<u>7,745</u>	<u>12,102</u>
Net change in capital assets	\$ <u>(820)</u>	\$ <u>4,381</u>

**ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION****NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2008****9. RESTRICTED FUND BALANCES****Operating Fund**

In prior years the Corporation had an excess of revenues over eligible expenditures for FedNor purposes of \$31,828. FedNor allowed the Corporation to retain this surplus to be spent on specific activities. During 2008 the Corporation had another surplus of revenue over eligible expenditures for FedNor purposes in the amount of \$5,413 and the Corporation has requested to retain this surplus to add to the remaining restricted fund balance of \$3,740. As such \$9,153 remains restricted.

**10. CHANGES IN ACCOUNTING POLICY**

On January 1, 2008, the Corporation applied the recommendations of new CICA pronouncements on Financial Instruments - Recognition and Measurement, Hedges, Comprehensive Income, Financial Instruments - Disclosures, Financial Instruments - Presentation and Capital Disclosures. These new sections are effective for years beginning on or after October 1, 2007.

Financial Instruments - Recognition and Measurement has impacted the measurement of certain of the Corporation's financial instruments as they must now be reflected on the balance sheet at their fair value at year-end. See note 4 for details on the changes.

Hedges has not had an impact on the Corporation as the Corporation does not enter into derivative instruments.

Comprehensive income consists of net income and any unrealized gains and losses on financial instruments designated as available-for-sale by the Corporation during the year. As the Corporation has not designated any financial instruments as available-for-sale, this section has not had an impact.

Financial instruments - disclosures has had an impact on the Corporation's disclosures as it establishes standards for disclosing information about an entity's capital and how it is managed. This standard has no impact on the Corporation's financial results.

Financial instruments - presentation has not had an impact on the Corporation as the requirements are unchanged from the previous requirements in CICA 3860.

Capital disclosures has not had an impact as the Corporation has no externally imposed capital requirements.

ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

SCHEDULE OF OPERATING FUND EXPENDITURES

YEAR ENDED DECEMBER 31, 2008

	Operating Fund	FedNor Projects Fund (Schedule B)	Ministry of Training, Colleges and Universities Projects Fund (Schedule C)	Total 2008	Total 2007
<b>Salaries and Benefits</b>					
Salaries	\$ 201,205	\$ 10,784	\$ 156,567	\$ 368,556	\$ 303,134
Youth Intern					13,419
Benefits	31,701	794	14,507	47,002	41,179
Training	3,007			3,007	5,806
	235,913	11,578	171,074	418,565	363,538
<b>Occupancy and Equipment</b>					
Rent, taxes & improvements	23,834		19,029	42,863	42,706
Equipment rent	7,120			7,120	6,825
Repairs and maintenance	7,992		3,600	11,592	12,730
Furniture and equipment					1,149
Insurance	11,017		1,153	12,170	12,678
Telephone	12,454		554	13,008	12,449
Utilities	2,538		282	2,820	3,020
	64,955		24,618	89,573	91,557
<b>Directors' Expense</b>					
Meetings	4,175			4,175	4,211
Training	3,248			3,248	4,591
	7,423			7,423	8,802
<b>Community Development</b>					
Advertising	4,593		670	5,263	5,418
Consulting fees					68
Memberships and dues	4,465			4,465	2,243
Local Initiative Projects (Schedule E)		50,000		50,000	49,435
Projects (Schedule D)	55,629			55,629	15,551
	64,687	50,000	670	115,357	72,715

## ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

## SCHEDULE OF OPERATING FUND EXPENDITURES (Continued)

YEAR ENDED DECEMBER 31, 2008

	Operating Fund	FedNor Projects Fund (Schedule B)	Ministry of Training, Colleges and Universities Projects Fund (Schedule C)	Total 2008	Total 2007
<b>Administration</b>					
Administration charges	138			138	60
Bank charges and interest	2,195			2,195	2,390
Office supplies	14,200		215	14,415	16,010
Other expenses			120,268	120,268	23,528
Postage	1,943			1,943	2,866
Professional fees	16,220			16,220	17,328
Travel	5,276		486	5,762	8,256
Youth Intern program supplies					331
	<u>39,972</u>		<u>120,969</u>	<u>160,941</u>	<u>70,769</u>
<b>Interfund (Schedule B and C)</b>	<u>(5,052)</u>	<u>(1,665)</u>	<u>6,717</u>		
<b>Total Expenditures</b>	<u>\$ 407,898</u>	<u>\$ 59,913</u>	<u>\$ 324,048</u>	<u>\$ 791,859</u>	<u>\$ 607,381</u>

**ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION**

**SCHEDULE OF FEDNOR PROJECTS REVENUE AND EXPENDITURES**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Local Initiative 842-500847</b>	<b>Youth Intern 842-501416</b>	<b>Total 2008</b>	<b>Total 2007</b>
<b>Revenue</b>				
Industry Canada/FedNor	\$ 50,000	\$ 9,913	\$ 59,913	\$ 66,855
Other revenue				<u>1,892</u>
	<u>50,000</u>	<u>9,913</u>	<u>59,913</u>	<u>68,747</u>
<b>Expenditures</b>				
<b>Salaries and benefits</b>				
Salaries		10,784	10,784	17,609
Benefits		<u>794</u>	<u>794</u>	<u>1,243</u>
		<u>11,578</u>	<u>11,578</u>	<u>18,852</u>
<b>Community Development</b>				
Local Initiative Projects (Schedule E)	50,000		50,000	49,435
Other expenses				<u>492</u>
	<u>50,000</u>		<u>50,000</u>	<u>49,927</u>
<b>Allocated to Operating Fund</b>		<u>(1,665)</u>	<u>(1,665)</u>	<u>(32)</u>
<b>Excess of Revenue over Expenditures</b>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

SCHEDULE OF MINISTRY OF TRAINING, COLLEGES AND UNIVERSITIES  
PROJECTS REVENUE AND EXPENDITURES

YEAR ENDED DECEMBER 31, 2008

	Atikokan Employment Centre	Self Employment Benefit	Local Labour Adjustment Committee	Job Creation Partnership - Bass Classic	Total 2008	Total 2007
<b>Revenue</b>						
Ministry of Training, Colleges and Universities	\$ 137,192	\$ 20,787	156,782 200	9,087	\$ 323,848 200	\$ 152,665
Other revenue	137,192	20,787	156,982	9,087	324,048	152,665
<b>Expenditures</b>						
<b>Salaries and benefits</b>						
Salaries	75,429	16,185	64,953		156,567	86,001
Benefits	9,788		4,719		14,507	10,119
	85,217	16,185	69,672		171,074	96,120
<b>Occupancy and Equipment</b>						
Rent	16,808	2,221			19,029	18,145
Insurance		1,153			1,153	866
Repairs and maintenance	3,600				3,600	3,886
Telephone		554			554	560
Utilities		282			282	263
	20,408	4,210			24,618	23,720

**ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION**  
**SCHEDULE OF MINISTRY OF TRAINING, COLLEGES AND UNIVERSITIES**  
**PROJECTS REVENUE AND EXPENDITURES (continued)**

**YEAR ENDED DECEMBER 31, 2008**

	<b>Atikokan Employment Centre</b>	<b>Self Employment Benefit</b>	<b>Local Labour Adjustment Committee</b>	<b>Job Creation Partnership - Bass Classic</b>	<b>Total 2008</b>	<b>Total 2007</b>
<b>Community Development</b>						
Advertising	493	177			670	1,947
<b>Administration</b>		215			215	29
Office supplies						
Other expenses						
- direct costs	6,814		87,310	9,294	103,418	6,775
- organizational infrastructure costs	16,850				16,850	16,753
Travel	486				486	366
	24,150	215	87,310	9,294	120,969	23,923
<b>Total expenditures</b>	130,268	20,787	156,982	9,294	317,331	145,710
<b>Allocated to Operating Fund</b>	6,924			(207)	6,717	6,955
<b>Excess of Revenue over Expenditures \$</b>	\$	\$	\$	\$	\$	\$

ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

OPERATING FUND

SCHEDULE OF PROJECT EXPENDITURES

YEAR ENDED DECEMBER 31, 2008

	<u>2008</u>	<u>2007</u>
<b>Expenditures</b>		
Other	\$ 5,427	\$ 412
Career Fair	2,932	2,945
DARC	7,979	522
Ontario Trillium - assistive listening devices	8,150	
Community Development Projects	4,372	685
Regional Networks		3,550
Chamber of Commerce	1,500	3,701
Website	269	3,244
White Otter Productions	<u>25,000</u>	<u></u>
	<u>\$ 55,629</u>	<u>\$ 15,059</u>

# ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

## OPERATING FUND

### SCHEDULE OF LOCAL INITIATIVES PROGRAM EXPENDITURES

YEAR ENDED DECEMBER 31, 2008

	<u>2008</u>	<u>2007</u>
<b>2007 FedNor - #842-500847</b>		
AEDC Tourism Coordinator	\$	\$ 5,023
Atikokan Mineral Development Initiative		5,000
Atikokan Bass Classic		4,937
Boreal Resource Strategies		2,700
Atikokan Native Friendship Centre		430
Upsala Game and Fish Club		5,000
Atikokan Sportsmen's Conservation		5,000
Upsala Recreation Centre		5,000
Upsala Mud Runners		3,500
Atikokan Vintage Iron Auto Club		4,200
Atikokan Entertainment Series		5,000
Atikokan Public Library		<u>3,645</u>
		<u>49,435</u>
<b>2008 FedNor - #842-503130</b>		
Atikokan Amateur Radio Club	3,865	
Atikokan Arts Centre	3,000	
Atikokan Beaten Path Nordic Ski	1,000	
Atikokan Employment Centre	500	
Atikokan Pictograph Gallery	3,709	
Atikokan Public Library	3,348	
Atikokan Sno-Ho Club	4,639	
Atikokan Township	4,909	
Atikokan Youth Initiatives Inc.	3,750	
Bow to Stern Association	5,000	
Charleson Recreation Association	1,702	
Chi-Ma-A-Ganing Native Development Corporation	2,500	
Intergenerational Centre for Atikokan	2,400	
Norwood Tent & Awning	5,000	
Upsala Fitness Centre	<u>4,678</u>	
	<u>50,000</u>	
	\$ <u>50,000</u>	\$ <u>49,435</u>