
LAMBTON AREA WATER SUPPLY SYSTEM

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

**LAMBTON AREA WATER SUPPLY SYSTEM
INDEX TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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Independent Auditor's Report

To the Members of the Lambton Area Water Supply System

Opinion

We have audited the financial statements of the Lambton Area Water Supply System (the Organization), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Lambton Area Water Supply System as at December 31, 2024, and its results of operations, its change in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Auditor's Responsibilities for the Audit of the Financial Statements - continued

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants
Windsor, Ontario
June 4, 2025

LAMBTON AREA WATER SUPPLY SYSTEM
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31,

	2024 ACTUAL \$	2023 ACTUAL \$
FINANCIAL ASSETS		
Cash (Note 3)	21,643,596	18,361,952
Accounts Receivable (Note 9)	686,667	957,569
	<u>22,330,263</u>	<u>19,319,521</u>
 LIABILITIES		
Accounts Payable and Accruals (Note 9)	971,447	837,685
Asset Retirement Obligation (Note 5)	282,171	266,500
	<u>1,253,618</u>	<u>1,104,185</u>
 NET FINANCIAL ASSETS	<u>21,076,645</u>	<u>18,215,336</u>
 NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 1 and 2)	95,230,084	93,006,364
	<u>95,230,084</u>	<u>93,006,364</u>
 ACCUMULATED SURPLUS (Schedule 3)	<u>116,306,729</u>	<u>111,221,700</u>
 COMMITMENTS (Note 8)		

The accompanying notes and schedules are an integral part of this financial statement.

**LAMBTON AREA WATER SUPPLY SYSTEM
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	2024 BUDGET \$	2024 ACTUAL \$	2023 ACTUAL \$
REVENUE			
Municipality Recovery	12,510,284	12,510,288	11,519,462
Interest	86,000	1,105,318	905,654
Other Revenue	134,000	241,207	309,748
	<u>12,730,284</u>	<u>13,856,813</u>	<u>12,734,864</u>
EXPENSES			
Plant Operating	5,429,785	4,954,454	4,698,873
Amortization	2,309,050	2,309,050	2,176,508
Tax Allowance	314,527	315,604	315,461
Maintenance			
Engineering Study	200,000	250,914	130,582
Major Maintenance	357,000	180,049	193,086
Distribution Repairs	200,000	135,810	126,480
Facility Maintenance	30,000	21,335	29,497
Administration			
Wages and Benefits	327,500	314,425	294,963
Computer Software	43,775	81,038	51,707
St.Clair Conservation Consulting	74,294	74,294	62,088
Insurance	56,189	53,970	50,632
Professional	37,950	27,221	17,422
Office Supplies	11,120	24,337	23,521
Telephone and Internet	15,280	16,529	15,223
Meals and Travel	7,365	7,883	5,000
Education and Conference	23,000	4,871	6,642
	<u>9,436,835</u>	<u>8,771,784</u>	<u>8,197,685</u>
ANNUAL SURPLUS	3,293,449	5,085,029	4,537,179
ACCUMULATED SURPLUS , beginning of the year	<u>111,221,700</u>	<u>111,221,700</u>	<u>106,684,521</u>
ACCUMULATED SURPLUS , end of the year (Schedule 3)	<u>114,515,149</u>	<u>116,306,729</u>	<u>111,221,700</u>

The accompanying notes and schedules are an integral part of this financial statement.

**LAMBTON AREA WATER SUPPLY SYSTEM
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	2024 BUDGET \$	2024 ACTUAL \$	2023 ACTUAL \$
ANNUAL SURPLUS	3,293,449	5,085,029	4,537,179
Amortization of Tangible Capital Assets	2,309,050	2,309,050	2,176,508
Acquisition of Tangible Capital Assets	(5,752,500)	(4,532,770)	(4,466,302)
Change in Net Financial Assets	(150,001)	2,861,309	2,247,385
NET FINANCIAL ASSETS , beginning of the year	18,215,336	18,215,336	15,967,951
NET FINANCIAL ASSETS , end of the year	18,065,335	21,076,645	18,215,336

The accompanying notes and schedules are an integral part of this financial statement.

**LAMBTON AREA WATER SUPPLY SYSTEM
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2024**

	2024 ACTUAL \$	2023 ACTUAL \$
OPERATING ACTIVITIES		
Annual Surplus	5,085,029	4,537,179
Sources (Uses) of Cash:		
Accounts Receivable	270,902	(326,647)
Accounts Payable	133,762	730,680
	<u>404,664</u>	<u>404,033</u>
Non-Cash Charges to Operations:		
Amortization	2,309,050	2,176,508
Accretion	15,671	14,061
	<u>2,324,721</u>	<u>2,190,569</u>
Cash Provided by Operations	<u>7,814,414</u>	<u>7,131,781</u>
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	<u>(4,532,770)</u>	<u>(4,466,302)</u>
NET CHANGE IN CASH	3,281,644	2,665,479
CASH, beginning of the year	<u>18,361,952</u>	<u>15,696,473</u>
CASH, end of the year	<u><u>21,643,596</u></u>	<u><u>18,361,952</u></u>

The accompanying notes and schedules are an integral part of this financial statement.

**LAMBTON AREA WATER SUPPLY SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with generally accepted accounting policies for municipal governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

Basis of Accounting (accrual)

- (i) Sources of financing and expenditures are reported on the accrual basis of accounting.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.
- (iii) Financial Instruments

The Organization classifies its financial instruments as either fair value or amortized cost.

The accounting policy for each category is as follows:

Fair Value

This category includes cash. Cash is initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the statement of operations. Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Amortized cost

This category includes accounts receivable, bank loans, accounts payable, long-term debt and other long-term liabilities. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added To the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the Amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the statement of operations.

**LAMBTON AREA WATER SUPPLY SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

(iv) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

(a) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, less accumulated amortization. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Land Improvements	15 to 25 years
Equipment	10 years
Facilities	15 to 100 years
Environmental Infrastructure	75 to 115 years

Amortization is charged commencing the year after acquisition. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

(v) Revenue Recognition

Municipality recovery revenue is recognized in the year that the service relates to. Municipality recoveries for water use are based on annual budgeted amounts as determined with reference to anticipated operating and capital costs. Interest is recorded as revenue when earned.

**LAMBTON AREA WATER SUPPLY SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(vi) Asset Retirement Obligations

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

2. NATURE OF REPORTING ENTITY

In 1998, the participating municipalities received a draft Notice of Transfer for the Lambton Area Water Supply System pursuant to Section 5 of the Municipal Water and Sewage Transfer Act, 1997.

Under the transfer order the works, properties and all assets, liabilities, rights and obligations of the system have been conveyed, assigned and transferred jointly to the following participating municipalities: The Corporation of the City of Sarnia, The Corporation of the Municipality of Lambton Shores (formally The Corporation of the Town of Bosanquet and The Corporation of the Town of Forest), The Corporation of the Township of St. Clair (formally The Corporation of the Township of Moore and The Corporation of the Township of Sombra), The Corporation of the Town of Plympton-Wyoming (formally The Corporation of the Township of Plympton and The Corporation of the Village of Wyoming), The Corporation of the Village of Point Edward, and The Corporation of the Township of Warwick. As long as a participating municipality is serviced by the works, each will have an undivided beneficial ownership interest in the works as tenant in common with all other municipalities jointly. The proportion that each municipality's interest bears to the total of the municipalities' interest shall be in the same ratio that the quantity of water supplied from the works to the municipality at any time and from time to time bears to the total quantity of water supplied to all the municipalities at such time.

A joint board of management was established to govern the management of the water supply system. The joint board of management is comprised of one representative from each of the participating municipalities. The representative for The Corporation of the City of Sarnia has 5 votes, The Corporation of the Township of St. Clair has 2 votes, and all other representatives have one vote each.

**LAMBTON AREA WATER SUPPLY SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024**

3. CASH

The Board's cash is held at one Canadian chartered bank and earns interest based on the monthly average prime rate less 1.00%. An operating line of credit was available by way of bank overdraft in the amount of \$50,000 as at December 31, 2024. NIL has been drawn on this line of credit as of December 31, 2024.

4. RESERVES

The reserve has been established for future capital repairs and replacement.

5. ASSET RETIREMENT OBLIGATIONS

The Organization's financial statements include an asset retirement obligation for the remediation of asbestos contained within building. The related asset retirement costs are being amortized on a straight-line basis. The liability has been estimated using a net present value technique with a discount rate of 5.57% (2023- 5.57%). The estimated total undiscounted future expenditures are \$4,464,822 (2023 - \$4,464,822), which are to be incurred over the remaining productive useful life of the building of 52 years. The liability is expected to be settled at the end of the buildings' productive useful life in 2075.

The carrying amount of the liability is as follows:

	<u>2024</u>	<u>2023</u>
Asset Retirement Obligation, Beginning of Year	\$ 266,500	\$ 252,439
Increase Due to Accretion Expense	<u>15,671</u>	<u>14,061</u>
Total	<u>\$ 282,171</u>	<u>\$ 266,500</u>

Note that the total amount of the liability may change due to changes in estimates noted above, such as the discount rate, estimated total undiscounted future expenditures, and expected remediation date.

**LAMBTON AREA WATER SUPPLY SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024**

6. PENSION AGREEMENTS

The Organization makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 2 members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan.

The Administration Corporation Board of Directors, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the plan assets and administration of the benefits. OMERS provides pension services to over 541,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2024. The results of this valuation disclosed total actuarial liabilities of \$142,489 million in respect of benefits accrued for services with actuarial assets at that date of \$139,576 million indicating an actuarial deficit of \$2,913 million. Ongoing adequacy of the current contribution rates will need to be monitored as fluctuations in the financial markets may lead to increased future funding requirements.

Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Organization does not recognize any share of the OMERS pension surplus or deficit. The amount contributed to OMERS for 2024 was \$27,926 (2023 - \$25,970) for current service and is included as an expenditure on the Statement of Operations. The OMERS Board rate was 9.0% to 14.6% depending on income level for 2024 (2023 - 9.0% to 14.6% depending on income level).

The Organization made no contribution under the past services provisions of the OMERS Agreement.

7. EXPENDITURE BY OBJECT

Total expenditures for the year reported on the Statement of Operations are as follows:

	<u>2024</u>	<u>2023</u>
Wages and employee benefits	\$ 314,425	\$ 294,963
Materials	172,957	138,664
Contracted services	5,959,681	5,573,489
Accretion	15,671	14,061
Amortization	<u>2,309,050</u>	<u>2,176,508</u>
Total	<u>\$ 8,771,784</u>	<u>\$ 8,197,685</u>

**LAMBTON AREA WATER SUPPLY SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024**

8. COMMITMENTS

The Lambton Area Water Supply system is committed to getting engineering designs and tendering for 5kV Motor Control Groups A & B. The project is estimated to be \$162,554, thus far \$92,592 has been spent.

The Lambton Area Water Supply system is committed to getting engineering design and tendering for the WLPS South Reservoir Rehabilitation/Replacement . The project is estimated to be \$1.75 million, thus far \$512,431 has been spent.

The Lambton Area Water Supply System is committed to rehabilitating both Reservoir 1 & 2 at the WLPS Station. This project is estimate to be \$12,573,522, thus far \$3,361,376 has been spent. This project is in conjunction with the WLPS Engineering design and tendering.

The Lambton Area Water Supply System is committed to rehabilitating both Reservoir 1 & 2 at the WLPS Station. An additional \$4,670,598 has been committed to the project since the project is currently being reviewed for a scope change.

The Lambton Area Water Supply system is committed to completing Various Panel SCADA upgrades, the total projects are estimated to be \$255,546. LAWSS has spent \$104,877 on this project so far.

The Lambton Area Water Supply system is committed to completing Phase 3 SCADA upgrades engineering, the total projects are estimated to be \$524,460. LAWSS has spent \$22,029 on this project so far.

The Lambton Area Water Supply System is committed to complete WTP Traveling Screen Replacements with total projects are estimated to be \$879,000, thus far \$113,713 has been spent.

The Lambton Area Water Supply system is committed to misc. Engineering studies in 2025. The various engineering studies are estimated at \$136,914.

The Lambton Area Water Supply system is committed to partnering with Township of Plympton-Wyoming on the replacement of AC Pipeline. The project is estimate at \$300,500, this far \$96,713 has been spent.

The Lambton Area Water Supply system is committed to mapping of the Secondary Water Intake. The Project is estimated at \$100,000, this far \$64,837 has been spent.

The Lambton Area Water Supply system is committed to developing an updated Master Plan. The Project is estimated at \$350,000.

The Lambton Area Water Supply system is committed to complete engineering for Fill Constraints for East Lambton Pumping Station. The Project is estimated at \$850,000.

The Lambton Area Water Supply system is committed to complete construction of SCADA Projects for Various Panels and Phase 3 Control Panel. The Project is estimated at \$755,000.

**LAMBTON AREA WATER SUPPLY SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024**

9. Financial Instrument Risk Management

The Organization is exposed to credit risk, and liquidity risk from its financial instruments. This note describes the Organization's objectives, policies and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk through its cash and accounts receivable.

Lambton Area Water Supply System holds its cash accounts with a federally regulated chartered bank.

Accounts receivable credit risk is resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

The Organization manages its credit risk by limiting the amount of days aged in accounts receivable before appropriate action is taken.

The Organization's maximum exposure to credit risk at the financial statement date is the carrying value of accounts receivable and other accounts receivable as presented on the statement of financial position.

At year end, the amounts outstanding for the Organization's accounts receivable are as follows:

As at December 31

	2024			2023		
	Accounts Receivable	Less: Impairment Allowance	Total	Accounts Receivable	Less: Impairment Allowance	Total
Current	\$ 681,982	\$ -	\$ 681,982	\$ 939,629	\$ -	\$ 939,629
31 to 60 days	-	-	-	-	-	-
61 to 90 days	-	-	-	-	-	-
Over 90 days	-	-	-	-	-	-
	<u>\$ 681,982</u>	<u>\$ -</u>	<u>\$ 681,982</u>	<u>\$ 939,629</u>	<u>\$ -</u>	<u>\$ 939,629</u>

**LAMBTON AREA WATER SUPPLY SYSTEM
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2024**

At year end, management has determined that the credit quality of accounts receivable are not past due or impaired.

There have not been any changes from the prior year in the Organization's exposure to credit risk or the policies, procedures and methods it uses to manage and measure the risk.

(b) *Liquidity Risk*

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, and other non-current liabilities.

The Organization's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flow to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The organization also maintains certain credit facilities, which can be drawn upon as needed.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flow of financial liabilities):

		2024			
		within 6 months	6 months to 1 year	1 - 5 years	>5 years
Accounts Payable and	\$	493,791	\$ -	\$ -	\$ -
Accrued Liabilities					
Holdbacks		-	477,656	-	-
	\$	<u>493,791</u>	<u>\$ 477,656</u>	<u>\$ -</u>	<u>\$ -</u>

		2023			
		within 6 months	6 months to 1 year	1 - 5 years	>5 years
Accounts Payable and	\$	393,120	\$ -	\$ -	\$ -
Accrued Liabilities					
Holdbacks		-	444,565	-	-
	\$	<u>393,120</u>	<u>\$ 444,565</u>	<u>\$ -</u>	<u>\$ -</u>

There have not been any changes from the prior year in the organization's exposure to liquidity risk or the policies, procedures and methods it uses to manage and measure the risk.

10. **Comparative Amounts**

The comparative amounts presented in the financial statements have been reclassified to conform with the current year's presentation.

Tangible Capital Assets
Lambton Area Water Supply System
2024

	Land	Land Improvements	Equipment	Facilities	Environmental Infrastructure	Work In Progress	2024 Actual	2023 Actual
Cost								
BALANCE, beginning of the year	\$ 1,272,202	\$ 1,310,190	\$ 80,777	\$ 61,646,101	\$ 84,462,652	\$ 1,104,327	\$ 149,876,249	\$ 145,409,947
Add:								
Additions during the year	-	-	-	526,468	92,781	4,011,278	4,630,527	5,260,768
Less:								
Transfers during the year	-	-	-	-	-	(97,755)	(97,755)	(794,466)
BALANCE, end of the year	1,272,202	1,310,190	80,777	62,172,569	84,555,433	5,017,850	154,409,021	149,876,249
ACCUMULATED AMORTIZATION								
BALANCE, beginning of the year	-	675,131	63,365	26,880,432	29,250,958	-	56,869,885	54,693,377
Add:								
Amortization during the year	-	25,402	4,353	1,436,722	842,573	-	2,309,050	2,176,508
Less:								
Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Adjustment Prior Year	-	-	-	-	-	-	-	-
BALANCE, end of the year		700,533	67,718	28,317,154	30,093,531	-	59,178,935	56,869,885
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	1,272,202	609,657	13,059	33,855,414	54,461,902	5,017,850	95,230,084	93,006,364

Tangible Capital Assets
Lambton Area Water Supply System
2023

	Land	Land Improvements	Equipment	Facilities	Environmental Infrastructure	Work In Progress	2023 Actual	2022 Actual
Cost								
BALANCE, beginning of the year	\$ 1,272,202	\$ 675,133	\$ 80,777	\$ 57,479,813	\$ 84,462,652	\$ 1,428,700	\$ 145,399,277	\$ 142,879,489
Add:								
Additions during the year	-	635,057	-	4,166,287	-	470,092	5,271,437	10,014,653
Less:								
Transfers during the year	-	-	-	-	-	(794,466)	(794,466)	(7,494,865)
BALANCE, end of the year	1,272,202	1,310,190	80,777	61,646,100	84,462,652	1,104,327	149,876,248	145,399,277
ACCUMULATED AMORTIZATION								
BALANCE, beginning of the year	-	672,068	59,012	25,553,684	28,408,415	-	54,693,179	52,966,474
Add:								
Amortization during the year	-	3,062	4,353	1,326,748.80	842,542	-	2,176,705	1,726,705
Less:								
Accumulated amortization on disposals	-	-	-	-	-	-	-	-
Adjustment Prior Year	-	-	-	-	-	-	-	-
BALANCE, end of the year		675,129	63,364	26,880,432	29,250,958	-	56,869,885	54,693,179
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	1,272,202	635,061	17,413	34,765,667	55,211,695	1,104,327	93,006,364	90,706,097

**LAMBTON AREA WATER SUPPLY SYSTEM
SCHEDULE OF ACCUMULATED SURPLUS(SCHEDULE 3)
FOR THE YEAR ENDED DECEMBER 31, 2024**

	2024 ACTUAL \$	2023 ACTUAL \$
RESERVES (Schedule 4)	21,076,645	18,215,336
SURPLUSES		
Invested in Tangible Capital Assets	95,230,084	93,006,364
ACCUMULATED SURPLUS	<u>116,306,729</u>	<u>111,221,700</u>