

**THE CORPORATION OF THE CITY OF THUNDER BAY
CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended December 31	2012	2011
	\$	\$
		[restated - note 2]
Operating Activities		
Annual surplus (deficit)	19,413,878	35,855,216
Non-cash charges to operations:		
Earnings from Thunder Bay Hydro Corporation (note 6)	(2,168,444)	(2,660,423)
Amortization of tangible capital assets	65,087,344	62,957,881
Contributed tangible capital assets	(3,882,328)	(1,359,823)
Loss on disposal of tangible capital assets	3,318,112	1,881,999
Write-down of tangible capital assets	1,127,823	-
Landfill closure and post closure liability	217,000	210,000
Employee future benefit:	1,762,555	1,199,403
Change in non-cash working capital balances		
Taxes receivable	614,732	1,588,429
Accounts receivable	(19,785,769)	(11,582,179)
User charges receivable	(306,408)	(576,032)
Other assets	625,628	1,244,416
Accounts payable and accrued liabilities	(3,441,607)	5,121,931
Deferred revenue	907,992	(546,493)
Supplies inventory	(261,777)	(33,065)
Prepaid expenses	(238,448)	(2,101,615)
Cash provided by operating transactions	62,990,283	91,199,645
Capital		
Acquisition of tangible capital assets	(73,239,834)	(94,620,770)
Proceeds on disposal of tangible capital assets	1,599,851	652,704
Cash used in capital transactions	(71,639,983)	(93,968,066)
Financing Activities		
Increase (decrease) in bank indebtedness	6,412,000	(8,905,000)
Decrease in Tbaytel long term payable	(4,241,000)	(4,014,000)
Proceeds from municipal debenture deb	26,149,099	15,515,083
Repayment of municipal debenture debt	(17,792,699)	(16,276,132)
Cash provided by (used in) financing transaction:	10,527,400	(13,680,049)
Investing Activities		
Reduction of investment in own debenture:	18,427	17,466
Net decrease (increase) in investments	(8,554,701)	1,862,618
Decrease in long term receivable	170,272	-
Cash provided by (used in) investing activities:	(8,366,002)	1,880,084
Decrease in cash	(6,488,302)	(14,568,386)
Cash, beginning of year	13,230,776	27,799,162
Cash, end of year	6,742,474	13,230,776

The accompanying notes are an integral part of these financial statements