

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK

Schedule of Continuity of Reserves

December 31, 2019

| | Total | Working | Contingencies | Fire | Library | Water | | Sunsite | Marina | | Marina Beach | | | BWT | | Water | Post Office | | BWT |
|--------------------------------|-----------|-----------|---------------|-------------|------------|----------|-----------|------------|--------|-------------|--------------|-----------|-----------|---------|----------|-----------|-------------|---------|-------------|
| | \$ | Fund | \$ | Department | Board | Works | Emergency | Water | Docks | Legal Fees | Stairs Gas | Parks | Elections | Concert | Planning | Main | Building | DSSAB | Renovation |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | Pumps | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| RESERVES | | | | | | | | | | | | | | | | | | | |
| Balance, beginning of year | 2,661,867 | 613,389 | 96,172 | 335,367 | 2,683 | 304,337 | 200 | 136,802 | 30,152 | 95,411 | 25,098 | 78,771 | 1,223 | - | 8,000 | 10,000 | 60,075 | 6,248 | 6,290 |
| Appropriations from operations | 1,043,259 | 382,038 | 6,472 | 39,527 | | 42,906 | | 17,079 | 11,019 | 13,495 | | | 1,491 | 329,397 | | | 9,901 | | 2,165 |
| Transfers | - | | | | | | | | | | | | | | | | | | |
| Appropriations to operations | (217,738) | (142,000) | | | | (42,928) | | | | | | | | | | | | (6,248) | |
| Balance, end of year | 3,487,388 | 853,427 | 102,644 | 374,894 | 2,683 | 304,315 | 200 | 153,881 | 41,171 | 108,906 | 25,098 | 78,771 | 2,714 | 329,397 | 8,000 | 10,000 | 69,976 | - | 8,455 |
| | | PEC | | | Landfill / | Norisle | Public | Inactive | | Cenotaph | | Community | Assignack | Fischer | Fire | Library | Library | Medical | Information |
| | | Events | McLeans Park | Sewer Mains | Recycling | Removal | Works | Cemeteries | Arena | Restoration | IT | Access | Business | Norisle | Hydrants | Expansion | Building | Clinic | Booth |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| RESERVES | | | | | | | | | | | | | | | | | | | |
| Balance, beginning of year | | 57,104 | 13,667 | 10,000 | 298,844 | 11,554 | 276,632 | 10,122 | 35,212 | 918 | 5,000 | 1,832 | 1,674 | 1,015 | 27,450 | 6,718 | 48,171 | 36,633 | 9,103 |
| Appropriations from operations | | | | | 7,266 | 4,089 | 115,670 | 1,570 | 24,608 | | 9,745 | 458 | | | | | 13,687 | 10,676 | |
| Transfers | | | | | | | | | | | | | | | | | | | |
| Appropriations to operations | | | | | (25,806) | | | | | | | | | (756) | | | | | |
| Balance, end of year | | 57,104 | 13,667 | 10,000 | 280,304 | 15,643 | 392,302 | 11,692 | 59,820 | 918 | 14,745 | 2,290 | 1,674 | 259 | 27,450 | 6,718 | 61,858 | 47,309 | 9,103 |

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Assiginack

Opinion

We have audited the financial statements of the **Trust Funds of the Corporation of the Township of Assiginack**, which comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in net assets 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 **Trust Funds of the Corporation of the Township of Assiginack** as at December 31, 2019, and the results of its operations 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity 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 the 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 entity'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 entity's financial reporting process.

INDEPENDENT AUDITORS' REPORT (continued)

Auditors' 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. 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 entity'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 entity'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 entity 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.

FREELANDT CALDWELL REILLY LLP



Chartered Professional Accountants
Licensed Public Accountants

Sudbury, Ontario
July 8, 2020

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK
TRUST FUNDS
Statement of Financial Position
December 31, 2019

| | Sick Room Equipment \$ | Hinds Hughson Cemetery \$ | Airport \$ | McLean's Park \$ | Hilly Grove Perpetual Care \$ | Hilly Grove Monument \$ | Total \$ |
|-------------------|---------------------------------------|--|-----------------------|---------------------------------|--|--|---------------------|
| Assets | | | | | | | |
| Cash | 230 | 15,628 | 57,581 | 9,610 | 72,660 | 22,866 | 178,575 |
| Due from Township | - | - | - | - | 8,966 | 1,962 | 10,928 |
| Net Assets | 230 | 15,628 | 57,581 | 9,610 | 81,626 | 24,828 | 189,503 |

The accompanying notes are an integral part of these consolidated financial statements.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK
TRUST FUNDS
Statement of Operations and Changes in Net Assets
Year ended December 31, 2019

| | Sick Room Equipment \$ | Hinds Hughson Cemetery \$ | Airport \$ | McLean's Park \$ | Hilly Grove Perpetual Care \$ | Hilly Grove Monument \$ | Total \$ |
|--------------------------------------|---------------------------------------|--|-----------------------|---------------------------------|--|--|---------------------|
| Net assets, beginning of year | 230 | 15,628 | 57,581 | 9,610 | 78,886 | 24,076 | 186,011 |
| Revenues | | | | | | | |
| Plot sales | - | - | - | - | 1,500 | 400 | 1,900 |
| Interest income | - | - | - | - | 1,240 | 352 | 1,592 |
| | - | - | - | - | 2,740 | 752 | 3,492 |
| Expenditures | - | - | - | - | - | - | - |
| Net assets, end of year | 230 | 15,628 | 57,581 | 9,610 | 81,626 | 24,828 | 189,503 |

The accompanying notes are an integral part of these consolidated financial statements.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK
TRUST FUNDS
Notes to the Financial Statements
December 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Corporation of the Township of Assiginack Trust Funds are the representation of management prepared using Canadian public sector accounting standards. Since precise determination of assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use careful judgement.

i) Basis of Consolidation

The Trust Funds have not been consolidated with the financial statements of the Township of Assiginack.

ii) Basis of Accounting

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 Trust Funds initially measure its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Trust Funds subsequently measure its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market or financial assets or liabilities designated to the fair value category, which are subsequently measured at fair value. Unrealized changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash.

2. CASH FLOW STATEMENT

A cash flow statement has not been presented because it would not provide any additional information which is not readily apparent in the financial statements.

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Assiginack

Opinion

We have audited the financial statements of the **Assiginack Public Library Board of the Corporation of the Township of Assiginack**, which comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in net assets 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 **Assiginack Public Library Board of the Corporation of the Township of Assiginack** as at December 31, 2019, and the results of its operations 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity 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

The Board is responsible for the preparation and fair presentation of the 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 entity'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 entity's financial reporting process.

INDEPENDENT AUDITORS' REPORT (continued)

Auditors' 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. 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 entity'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 the Board'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 entity'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 entity 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

FREELANDT CALDWELL REILLY LLP



Chartered Professional Accountants
Licensed Public Accountants

Sudbury, Ontario
July 8, 2020

ASSIGINACK PUBLIC LIBRARY BOARD
Statement of Financial Position
December 31, 2019 with comparative figures for 2018

| | 2019 | 2018 |
|---|---------------|---------------|
| | \$ | \$ |
| Financial Assets | | |
| Cash | 5,695 | 4,797 |
| Guaranteed investment certificates | 32,136 | 29,938 |
| Total Assets being Net Assets (note 2) | 37,831 | 34,735 |

The accompanying notes are an integral part of these financial statements.

ASSIGINACK PUBLIC LIBRARY BOARD
Statement of Operations and Changes in Net Assets
Year ended December 31, 2019 with comparative figures 2018

| | Budget | 2019 (Actual) | 2018 (Actual) |
|---|---------------|--------------------------|--------------------------|
| | \$ | \$ | \$ |
| Revenues | | | |
| Municipal contribution | 41,685 | 41,685 | 41,685 |
| Province of Ontario contributions | 3,483 | 3,483 | 7,070 |
| Government of Canada contributions | 1,700 | 1,680 | 1,680 |
| Donations and miscellaneous | 500 | 900 | 1,590 |
| Interest and fines | - | 468 | 341 |
| Total Revenues | 47,368 | 48,216 | 52,366 |
| Expenditures | | | |
| Wages and employee benefits | 37,632 | 37,490 | 37,016 |
| Books and other library materials and equipment | 3,003 | 3,524 | 3,268 |
| Rent | 1,200 | 1,200 | 1,200 |
| Telephone | 900 | 867 | 792 |
| Membership and conference | 1,200 | 724 | 1,237 |
| Office supplies | 1,165 | 658 | 5,287 |
| Miscellaneous | 2,100 | 489 | 1,063 |
| Insurance | 168 | 168 | 168 |
| Total Expenditures | 47,368 | 45,120 | 50,031 |
| Annual surplus | - | 3,096 | 2,335 |
| Net assets, beginning of year | 34,735 | 34,735 | 32,400 |
| Net assets, end of year | 34,735 | 37,831 | 34,735 |

The accompanying notes are an integral part of these financial statements.

ASSIGINACK PUBLIC LIBRARY BOARD

Notes to the Financial Statements

December 31, 2019

1. ACCOUNTING POLICIES

The financial statements of the Assiginack Public Library Board are the representation of management prepared using Canadian public sector accounting standards. Since precise determination of assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximation. These have been made using careful judgement.

a) Basis of Accounting

i) Accrual Accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes the 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 legal obligation to pay.

ii) Inventories of books and supplies

No value is attached to inventories for municipal reporting purposes. Expenditures on books and supplies are charged to operations as they are incurred.

iii) Financial Instruments

The Board initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Board subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market or financial assets or liabilities designated to the fair value category, which are subsequently measured at fair value. Unrealized changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and guaranteed investment certificates.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

ASSIGINACK PUBLIC LIBRARY BOARD
Notes to the Financial Statements
December 31, 2019

2. NET ASSETS

The balance on the statement of financial position of net assets at the end of the year is comprised of the following:

| | 2019 | 2018 |
|---|---------------|---------------|
| | \$ | \$ |
| To be used: | | |
| - for the general reduction of user charges | 35,148 | 32,052 |
| - for the reserve fund | 2,683 | 2,683 |
| | 37,831 | 34,735 |

3. CASH FLOW STATEMENT

A cash flow statement has not been presented because it would not provide any additional information which is not readily apparent in the financial statements.

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Township of Assiginack

Opinion

We have audited the financial statements of the **Assiginack Museum Board of the Corporation of the Township of Assiginack**, which comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in net assets 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 **Assiginack Museum Board of the Corporation of the Township of Assiginack** as at December 31, 2019, and the results of its operations 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity 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

The Board is responsible for the preparation and fair presentation of the 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 entity'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 entity's financial reporting process.

INDEPENDENT AUDITORS' REPORT (continued)

Auditors' 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. 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 entity'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 the Board'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 entity'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 entity 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

FREELANDT CALDWELL REILLY LLP



Chartered Professional Accountants
Licensed Public Accountants

Sudbury, Ontario
July 8, 2020

ASSIGINACK MUSEUM BOARD
Statement of Financial Position
December 31, 2019 with comparative figures for 2018

| | 2019 | 2018 |
|--|---------------|---------------|
| | \$ | \$ |
| Financial Assets | | |
| Cash | 78,009 | 65,589 |
| Financial Liabilities | | |
| Accounts payable and accrued liabilities | 66,421 | 54,998 |
| Net assets | 11,588 | 10,591 |

The accompanying notes are an integral part of these financial statements.

ASSIGINACK MUSEUM BOARD**Statement of Operations and Changes in Net Assets****Year ended December 31, 2019 with comparative figures for 2018**

| | 2019 | 2018 |
|--------------------------------------|---------------|---------------|
| | Actual | Actual |
| | \$ | \$ |
| Revenues | | |
| Municipal grant | 20,000 | 20,000 |
| Province of Ontario | 3,382 | 3,382 |
| Admission, sales and other | 4,003 | 3,331 |
| Government of Canada | 1,960 | 1,680 |
| Total Revenues | 29,345 | 28,393 |
| Expenditures | | |
| Wages | 20,453 | 20,616 |
| Utilities | 5,236 | 5,441 |
| Telephone | 1,173 | 1,081 |
| Operating supplies and materials | 702 | 688 |
| Repairs and maintenance | 647 | 1,369 |
| Advertising and memberships | 137 | 150 |
| Total Expenditures | 28,348 | 29,345 |
| Annual surplus (deficit) | 997 | (952) |
| Net assets, beginning of year | 10,591 | 11,543 |
| Net assets, end of year | 11,588 | 10,591 |

The accompanying notes are an integral part of these financial statements.

ASSIGINACK MUSEUM BOARD

Notes to the Financial Statements

December 31, 2019

1. ACCOUNTING POLICIES

The financial statements of the Assiginack Museum Board are the representation of management prepared using Canadian public sector accounting standards. Since precise determination of assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximation. These have been made using careful judgement.

a) Basis of Accounting

i) Accrual Accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes the 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 legal obligation to pay.

ii) Financial Instruments

The Board initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Board subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market or financial assets or liabilities designated to the fair value category, which are subsequently measured at fair value. Unrealized changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

2. CASH FLOW STATEMENT

A cash flow statement has not been presented because it would not provide any additional information which is not readily apparent in the financial statements.

INDEPENDENT AUDITORS' REPORT

To the Members of the Hilly Grove Cemetery Board

Opinion

We have audited the financial statements of the **Hilly Grove Cemetery Board**, which comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in net debt 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 **Hilly Grove Cemetery Board** as at December 31, 2019, and the results of its operations 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity 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

The Board is responsible for the preparation and fair presentation of the 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 entity'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 entity's financial reporting process.

INDEPENDENT AUDITORS' REPORT (continued)

Auditors' 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. 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 entity'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 the Board'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 entity'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 entity 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

FREELANDT CALDWELL REILLY LLP



Chartered Professional Accountants
Licensed Public Accountants

Sudbury, Ontario
July 8, 2020

HILLY GROVE CEMETERY BOARD**Statement of Financial Position****December 31, 2019 with comparative figures for 2018**

| | 2019 | 2018 |
|-------------------------------|-----------------|-----------------|
| | \$ | \$ |
| Financial Assets | | |
| Cash | 35,579 | 21,941 |
| Accounts receivable | 134 | 134 |
| Total Assets | 35,713 | 22,075 |
| Financial Liabilities | | |
| Accounts Payable | 1,581 | - |
| Due to Township of Assiginack | 47,795 | 37,497 |
| Due to Perpetual Care Trust | 8,966 | 6,226 |
| Due to Monument Trust | 1,962 | 1,210 |
| Total Liabilities | 60,304 | 44,933 |
| Net Debt | (24,591) | (22,858) |

The accompanying notes are an integral part of these financial statements.

HILLY GROVE CEMETERY BOARD**Statement of Operations and Changes in Net Debt****Year Ended December 31, 2019 with comparative figures for 2018**

| | 2019 | 2018 |
|------------------------------------|-----------------|-----------------|
| | \$ | \$ |
| Revenues | | |
| Municipal contributions | 9,000 | 9,000 |
| Plot and monument sales | 6,650 | 14,800 |
| Opening and closing | 3,450 | 1,800 |
| Donations | 200 | - |
| Interest and other | 20 | - |
| Total Revenues | 19,320 | 25,600 |
| Expenditures | | |
| Wages and benefits | 12,095 | 11,426 |
| Repairs and maintenance | 2,947 | 1,672 |
| Interment fees | 2,100 | 700 |
| Plot and monument sales | 1,900 | 5,500 |
| Miscellaneous | 1,671 | 1,135 |
| Hydro and fuel | 340 | 292 |
| Total Expenditures | 21,053 | 20,725 |
| Annual surplus (deficit) | (1,733) | 4,875 |
| Net debt, beginning of year | (22,858) | (27,733) |
| Net debt, end of year | (24,591) | (22,858) |

The accompanying notes are an integral part of these financial statements.

HILLY GROVE CEMETERY BOARD

Note to the Financial Statements

December 31, 2019

1. ACCOUNTING POLICIES

The financial statements of the **Hilly Grove Cemetery Board** are the representation of management prepared using Canadian public sector accounting standards. Since precise determination of assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximation. These have been made using careful judgement.

a) Basis of Accounting

i) Accrual Accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes the 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 legal obligation to pay.

ii) Financial Instruments

The Board initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Board subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market or financial assets or liabilities designated to the fair value category, which are subsequently measured at fair value. Unrealized changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and account receivables.

Financial liabilities measured at amortized cost include amounts due to the Township of Assiginack, Perpetual Care Trust and Monument Trust.

2. TRUST FUNDS

Trust funds administered by the Board amounting to \$106,454 (2018- \$102,962) have not been included in the Statement of Financial Position nor have their operations been included in the Statement of Current Fund Operations.

3. CASH FLOW STATEMENT

A cash flow statement has not been presented because it would not provide any additional information which is not readily apparent in the financial statements

INDEPENDENT AUDITORS' REPORT

To the Members of the Hilly Grove Cemetery Board

Opinion

We have audited the financial statements of the **Hilly Grove Cemetery Board – Trust Funds of the Corporation of the Township of Assiginack**, which comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in net assets 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 **Hilly Grove Cemetery Board – Trust Funds of the Corporation of the Township of Assiginack** as at December 31, 2019, and the results of its operations 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity 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

The Board is responsible for the preparation and fair presentation of the 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 entity'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 entity's financial reporting process.

INDEPENDENT AUDITORS' REPORT (continued)

Auditors' 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. 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 entity'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 the Board'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 entity'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 entity 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

FREELANDT CALDWELL REILLY LLP



Chartered Professional Accountants
Licensed Public Accountants

Sudbury, Ontario
July 8, 2020

HILLY GROVE CEMETERY BOARD
TRUST FUNDS
Statement of Financial Position
December 31, 2019 with comparative figures for 2018

| | Perpetual Care | Monuments | 2019 | 2018 |
|--------------------------------------|-----------------------|------------------|----------------|----------------|
| | \$ | \$ | \$ | \$ |
| Assets | | | | |
| Cash | 72,660 | 22,866 | 95,526 | 95,526 |
| Due from Cemetery Board | 8,966 | 1,962 | 10,928 | 7,436 |
| Total Assets being Net Assets | 81,626 | 24,828 | 106,454 | 102,962 |

The accompanying notes are an integral part of these financial statements.

HILLY GROVE CEMETERY BOARD**TRUST FUNDS****Statement of Operations and Changes in Net Assets****Year ended December 31, 2019 with comparative figures for 2018**

| | Perpetual Care | Monuments | 2019 | 2018 |
|--------------------------------------|-----------------------|------------------|-------------|-------------|
| | \$ | \$ | \$ | \$ |
| Net assets, beginning of year | 78,886 | 24,076 | 102,962 | 96,000 |
| Receipts | | | | |
| Sales | 1,500 | 400 | 1,900 | 5,500 |
| Interest earned | 1,240 | 352 | 1,592 | 1,462 |
| | 2,740 | 752 | 3,492 | 6,962 |
| Expenditures | - | - | - | - |
| Net assets, end of year | 81,626 | 24,828 | 106,454 | 102,962 |

The accompanying notes are an integral part of these financial statements.

1. ACCOUNTING POLICIES

The financial statements of the **Hilly Grove Cemetery Board - Trust Funds** are the representation of management prepared using Canadian public sector accounting standards. Since precise determination of assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximation. These have been made using careful judgement.

a) Basis of Accounting

i) Accrual Accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes the 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 legal obligation to pay.

ii) Financial Instruments

The Trust Funds initially measure its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Trust Funds subsequently measure its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market or financial assets or liabilities designated to the fair value category, which are subsequently measured at fair value. Unrealized changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash.

2. CASH FLOW STATEMENT

A cash flow statement has not been presented because it would not provide any additional information which is not readily apparent in the financial statements.