

THE TOWNSHIP OF ASSIGINACK

CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2022

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Corporation of the Township of Assiginack (“the Township”) are the responsibility of the Township’s management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to these consolidated financial statements. The preparation of the consolidated financial statements necessarily involves the use of estimates based on management’s judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Township’s management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Freelandt Caldwell Reilly LLP, independent external auditors appointed by the Township. The accompanying Independent Auditor’s Report outlines their responsibilities, the scope of their examination and their opinion on the Township’s consolidated financial statements.

Mayor

Treasurer

July 18, 2023

Date

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the consolidated financial statements of the **Corporation of the Township of Assiginack**, which comprise the statement of consolidated financial position as at December 31, 2022, and the consolidated statements of operations and changes in accumulated surplus, changes in net assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the **Corporation of the Township of Assiginack** as at December 31, 2022, 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 Consolidated 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 consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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.

INDEPENDENT AUDITORS' REPORT (continued)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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

FREELANDT CALDWELL REILLY LLP



Chartered Professional Accountants
Licensed Public Accountants

Espanola, Ontario
July 18, 2023

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Consolidated Statement of Financial Position****December 31, 2022 with comparative figures for 2021**

	2022	2021
	\$	\$
Financial Assets		
Cash	5,798,775	4,655,113
Term deposits	54,850	46,975
Taxes receivable (note 2)	344,980	406,161
User charges receivable	395,103	410,839
Grants receivable	330,539	159,299
Other accounts receivable	153,123	205,983
Investment in government business enterprise (note 3)	257,952	259,156
	7,335,322	6,143,526
Financial Liabilities		
Accounts payable and accrued liabilities	372,648	527,753
Deferred revenue	421,953	172,716
Deferred revenue - obligatory funds (note 4)	327,206	257,070
Long-term debt (note 5)	1,124,474	1,212,683
Obligations under capital lease (note 6)	30,064	58,325
Landfill closure and post-closure liability (note 7)	468,549	438,641
	2,744,894	2,667,188
Net Assets (note 8)	4,590,428	3,476,338
Non-financial Assets (note 9)		
Tangible capital assets (note 10)	15,856,428	15,700,881
Prepaid expenses	57,873	30,419
	15,914,301	15,731,300
Accumulated Surplus	20,504,729	19,207,638

Contingent liabilities (note 15)

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

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK
Consolidated Statement of Operations and Changes in Accumulated Surplus
Year ended December 31, 2022 with comparative figures for 2021

	Budget \$	2022 \$	2021 \$
Revenues			
Taxation			
Residential and farm		3,058,803	3,045,024
Commercial, industrial and business		142,067	145,149
Other governments and agencies		17,594	17,594
	3,223,433	3,218,464	3,207,767
Deduct:			
Amounts raised on behalf of the school boards	337,005	337,187	337,557
	2,886,428	2,881,277	2,870,210
Government Transfers			
Government of Canada	515,336	255,720	115,154
Province of Ontario	1,681,499	2,009,682	1,444,688
	2,196,835	2,265,402	1,559,842
User Charges			
Sewer and water charges	516,435	452,595	458,792
Fees and service charges	65,500	507,562	280,102
	581,935	960,157	738,894
Other			
Penalties and interest charges	64,700	36,065	-
Licences and permits	33,130	78,432	49,094
Investment income	33,000	119,459	33,289
Rents, donations and other	58,275	68,935	75,563
Gain on disposal of tangible capital assets	-	-	29,002
	189,105	302,891	186,948
Total Revenues	5,854,303	6,409,727	5,355,894
Expenditures			
General government	882,141	928,711	854,167
Protection to persons and property	488,040	481,520	425,535
Transportation services	1,079,414	997,491	1,103,108
Environmental services	626,886	940,405	982,626
Health services	295,247	335,128	331,689
Social and family services	183,261	853,585	751,258
Recreation and cultural services	258,918	461,641	403,550
Planning and development	125,500	112,951	105,365
Total Expenditures	3,939,407	5,111,432	4,957,298
Annual Surplus before undernoted item	1,914,896	1,298,295	398,596
Earnings (loss) from investment in government business enterprise (note 3)	-	(1,204)	10,994
Annual Surplus	1,914,896	1,297,091	409,590
Accumulated Surplus, beginning of year	19,207,638	19,207,638	18,798,048
Accumulated Surplus, end of year	21,122,534	20,504,729	19,207,638

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

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK
Consolidated Statement of Changes in Net Assets
Year ended December 31, 2022 with comparative figures for 2021

	Budget	2022	2021
	\$	Actual	Actual
		\$	\$
Annual Surplus	1,914,896	1,297,091	409,590
Acquisition of tangible capital assets	(1,881,609)	(893,525)	(672,516)
Amortization of tangible capital assets	-	737,978	693,267
Gain on disposal of tangible capital assets	-	-	(29,002)
Proceeds on disposal of tangible capital assets	-	-	29,002
Change in prepaid expenses	-	(27,454)	(170)
Change in net assets	33,287	1,114,090	430,171
Net Assets, beginning of year	3,476,338	3,476,338	3,046,167
Net Assets, end of year	3,509,625	4,590,428	3,476,338

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

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Consolidated Statement of Cashflows****Year ended December 31, 2022 with comparative figures for 2021**

	2022	2021
	\$	\$
Cash flows from operations		
Annual Surplus	1,297,091	409,590
Items not involving cash		
Amortization of tangible capital assets	737,978	693,267
Gain on disposal of tangible capital assets	-	(29,002)
Investment in government business enterprise - (earnings) loss	1,204	(10,994)
Landfill site closure and post-closure liability	29,908	39,731
	2,066,181	1,102,592
Changes in non-cash operating assets and liabilities		
Taxes receivable	61,181	91,957
User charges receivable	15,736	48,574
Grants receivable	(171,240)	(155,455)
Other accounts receivable	52,860	(10,770)
Accounts payable and accrued liabilities	(155,105)	250,032
Deferred revenue	249,237	85,750
Deferred revenue - obligatory reserve funds	70,136	99,441
Prepaid expenses	(27,454)	(170)
	2,161,532	1,511,951
Capital transactions		
Proceeds on disposal of tangible capital assets	-	29,002
Cash used to acquire tangible capital assets	(893,525)	(672,516)
	(893,525)	(643,514)
Investing transactions		
Change in term deposits	(7,875)	(4,127)
Financing transactions		
Repayment of long-term debt	(88,209)	(93,892)
Repayment of obligations under capital lease	(28,261)	(26,910)
	(116,470)	(120,802)
Increase in cash	1,143,662	743,508
Cash, beginning of year	4,655,113	3,911,605
Cash, end of year	5,798,775	4,655,113

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

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK

Notes to the Consolidated Financial Statements

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Township are the representation of management. The financial statements are prepared using Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

Significant aspects of the accounting policies adopted by the Township are as follows:

a) Basis of Consolidation

i) Local Boards

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of the Township and include the activities of all committees of Council and the following local boards which are under the control of Council:

Assignack Library Board
Assignack Museum Board
Hilly Grove Cemetery Board

ii) Joint Local Boards

These consolidated financial statements reflect contributions to the following joint local boards, which are not under the direct control of council, as expenses in the consolidated statement of operations:

Sudbury and District Health Unit
Manitoulin-Sudbury District Services Board

The assets, liabilities, revenues and expenses of the joint local boards have not been proportionally consolidated in these financial statements.

iii) Proportionally Consolidated Entities

These consolidated statements reflect proportionally the Township's share of the assets, liabilities, revenues and expenses of the following joint local boards:

Manitoulin Centennial Manor
Manitoulin Planning Board

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)**iv) Investment in Government Business Enterprise**

The Manitoulin East Municipal Airport Commission Inc. is a government business enterprise and is accounted for using the modified equity method. Each year the Township's share of income from government business enterprise is recognized in the consolidated financial statements and the investment in the government business enterprise is adjusted to reflect the change in equity occurring during the year.

v) Accounting for School Board Transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in these consolidated financial statements.

vi) Trust Funds

Trust funds and their related operations administered by the Township are not consolidated, but are reported separately on the Trust Funds financial statements.

b) Basis of Accounting**i) Accrual Accounting**

The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses 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.

ii) Tangible Capital Assets

Tangible capital assets are recorded at cost. The Township provides for amortization using the straight-line method designed to amortize the cost, less any residual value, of the tangible capital assets over their estimated useful lives. The annual amortization rates are as follows:

	<u>Years</u>
Buildings	20-60
Roads and bridges	20-40
Automotive equipment	10-25
Furniture and equipment	5
Water and sewer	5-80

Additions are amortized at one half of the annual rate in the year of acquisition.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK

Notes to the Consolidated Financial Statements

December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

iii) Leases

Leases are classified as either capital or operating leases. Leases that transfer substantially all of the benefits and inherent risks of ownership of property to the Township are accounted for as capital leases. At the time a capital lease is entered into, a tangible capital asset is recorded together with its related capital lease obligation to reflect the acquisition and financing. Tangible capital assets recorded under capital leases are amortized on the same basis as described above. Payments under operating leases are expensed as incurred.

iv) Revenue Recognition

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation. Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Township is required to collect on behalf of the Province of Ontario in respect of education taxes.

A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessments. Once a supplementary assessment roll is received, the Township determines the taxes applicable and renders supplementary tax billings. Supplementary taxation revenues are recorded at the time these bills are issued.

Assessments and related property taxes are subject to appeal by ratepayers. Tax adjustments as a result of appeals are recorded when the result of the appeal is known.

The Township is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the accounts in the period the interest and penalties are levied.

Government transfers are recognized in the period that the events giving rise to the transfer have occurred as long as: the transfer is authorized, the eligibility criteria, if any, have been met, and, the amount can be reasonably estimated. Government transfers received before these criteria have been met are recorded in the accounts as deferred revenue and are recognized as revenue in the period in which all of these criteria are met.

Revenue from user charges and rents are recognized in the period in which the goods or services are provided

v) Deferred Revenue – Obligatory Reserve Funds

The Township receives certain contributions under the authority of federal and provincial legislation. These contributions are restricted in their use and, until spent on qualifying projects or expenses, are recorded as deferred revenue.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)**vi) Use of Estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these consolidated financial statements include the estimated useful lives of tangible capital assets and estimated landfill site closure and post-closure liability.

vii) Financial Instruments

The Township 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 Township 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 in the period they occur.

Financial assets measured at amortized cost include cash, term deposits, taxes receivable, user charges receivable, grants receivable and other account receivables.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, long-term debt and obligations under capital lease.

2. TAXES RECEIVABLE

The components of taxes receivable are as follows:

	2022	2021
	\$	\$
Taxes receivable	364,369	437,125
Interest receivable on outstanding tax balances	30,611	19,036
Allowance for uncollectible amounts	(50,000)	(50,000)
	<u>344,980</u>	<u>406,161</u>

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

3. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISE

The Manitoulin East Municipal Airport Commission Inc. is 1/3 owned by the Township. As this corporation is a business enterprise, it is accounted for using the modified equity method, as follows:

	2022	2021
	\$	\$
Long-term investment, beginning of year	259,156	248,162
Township's share of operating earnings (loss) for the year	(1,204)	10,994
Long-term investment, end of year	257,952	259,156

The loss is included in Other revenues, Rents and other on the consolidated statements of operations.

Condensed supplementary financial information on the Airport is as follows:

	2022	2021
	\$	\$
Financial Position		
Financial assets	205,876	323,574
Financial liabilities	66,613	204,877
Net assets	139,263	118,697
Non-Financial Assets		
Tangible capital assets	594,220	636,500
Inventory and prepaid expenses	40,372	22,272
	634,592	658,772
Accumulated surplus	773,855	777,469
Results of Operations		
Revenue	243,706	237,177
Expenses	247,319	204,195
Net earnings (loss)	(3,613)	32,982

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

4. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of Canadian public sector accounting standards is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserves funds of the Township are summarized below:

	2022	2021
	\$	\$
Deferred revenue, beginning of year	257,070	157,629
Contributions received during the year	64,255	126,025
Interest earned	6,052	1,851
Amounts recognized as revenue during year	(171)	(28,435)
Deferred revenue, end of year	327,206	257,070

Deferred revenue - obligatory reserve consists of the following:

Federal gas tax revenue	327,206	257,070
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THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

5. LONG-TERM DEBT

	2022	2021
	\$	\$
BMO Bank of Montreal demand term loan, repayable in monthly instalments of \$4,517 plus interest at the bank's prime rate of interest per annum, unsecured, maturing July 2033	578,217	627,888
BMO Bank of Montreal demand term loan, repayable in monthly instalments of \$1,701, plus interest at the bank's prime rate of interest per annum, unsecured, maturing June 2036	255,976	274,684
BMO Bank of Montreal demand term loan, repayable in monthly instalments of \$2,078, including interest at the bank's prime rate of interest per annum, unsecured, maturing August 2035	276,863	293,800
Ontario Ministry of Agriculture, Food and Rural Affairs tile drainage loan, repayable in annual instalments of \$3,872, including interest at 6.0% per annum, unsecured, maturing January 2026	13,418	16,311
	<u>1,124,474</u>	<u>1,212,683</u>

Principal payments on the long-term debt over the next 5 years, are payable as follows:

2023	94,498
2024	95,603
2025	96,769
2026	98,001
2027	95,427
Thereafter	644,176
	<u>1,124,474</u>

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

6. OBLIGATIONS UNDER CAPITAL LEASE

	2022	2021
	\$	\$
Travelers Leasing Ltd. capital lease, repayable in monthly instalments of \$2,568 including interest at a rate of 5.25% per annum, secured by a specific vehicle with a carrying value of \$76,872, maturing December 2023	30,064	58,325

The cost and net book value of automotive equipment under capital lease is \$219,635 and \$76,872 respectively.

7. LANDFILL SITE CLOSURE AND POST-CLOSURE LIABILITY

Under the environment law in the province of Ontario, there is a requirement for the Township to provide for closure and post-closure care of all active and inactive solid waste landfill sites. Accounting standards require that the costs associated with this requirement are provided for in the accounts over the service life of the landfill site based on its usage on a volumetric basis. The reported liability is based on estimates and assumptions regarding future events using the best information available to management. Actual results will vary from the estimated amounts and the change in the estimate will be recognized on a prospective basis as a change in accounting estimate in the year the change is determined.

The liability for closure and post-closure care represents the discounted future cash flows of estimated closure and post-closure care costs using the following rates and assumptions:

Remaining capacity	21,000 m ³
Remaining life	21 years
Closure and acquisition costs	\$600,000
Monitoring period post-closure	25 years
Annual monitoring costs	\$10,000
Total estimated liability	\$728,168
Current estimated liability	\$468,549
Amount remaining to be recognized	\$259,619

Future cash flows have been discounted using a long-term interest rate of 4% and an estimated inflation rate of 3%.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

8. NET ASSETS (DEBT)

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

	2022	2021
	\$	\$
To be used:		
- for the general increase in taxation and user charges	(2,987,964)	(3,070,498)
- to be recovered from tax and user charges for the repayment of long-debt and landfill liability	1,623,087	1,709,649
- for the general operations of joint and local boards	321,304	331,937
- for reserves and reserve funds	5,634,001	4,505,250
	4,590,428	3,476,338

9. NON-FINANCIAL ASSETS

Tangible capital assets and other non-financial assets are accounted for as assets by the Township because they can be used to provide services to residents and ratepayers of the Township in future periods. These assets do not normally provide resources to discharge the liabilities of the Township unless they are sold.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK
Notes to the Consolidated Financial Statements
December 31, 2022

10. TANGIBLE CAPITAL ASSETS

2022	Land \$	Land Improvements \$	Buildings \$	Roads and Bridges \$	Automotive Equipment \$	Furniture and Equipment \$	Water Treatment and Sewer \$	2022 Total \$
Cost								
Balance, beginning of year	916,697	144,388	10,303,187	7,222,505	1,988,204	4,035	10,499,823	31,078,839
Additions	-	109,826	212,399	519,217	-	-	52,083	893,525
Disposals	-	-	-	-	-	-	-	-
Balance, end of year	916,697	254,214	10,515,586	7,741,722	1,988,204	4,035	10,551,906	31,972,364
Accumulated Amortization								
Balance, beginning of year	-	6,450	3,585,879	4,961,451	1,242,797	3,667	5,577,714	15,377,958
Disposals	-	-	-	-	-	-	-	-
Amortization expense	-	8,408	205,591	138,005	91,672	103	294,199	737,978
Balance, end of year	-	14,858	3,791,470	5,099,456	1,334,469	3,770	5,871,913	16,115,936
Net book value	916,697	239,356	6,724,116	2,642,266	653,735	265	4,679,993	15,856,428
2021	Land \$	Land Improvements \$	Buildings \$	Roads and Bridges \$	Automotive Equipment \$	Furniture and Equipment \$	Water Treatment and Sewer \$	2021 Total \$
Cost								
Balance, beginning of year	916,697	93,451	10,256,355	7,222,505	1,662,867	3,760	10,421,934	30,577,569
Additions	-	50,937	46,832	-	496,583	275	77,889	672,516
Disposals	-	-	-	-	(171,246)	-	-	(171,246)
Balance, end of year	916,697	144,388	10,303,187	7,222,505	1,988,204	4,035	10,499,823	31,078,839
Accumulated Amortization								
Balance, beginning of year	-	3,335	3,384,376	4,829,209	1,347,200	3,591	5,288,226	14,855,937
Disposals	-	-	-	-	(171,246)	-	-	(171,246)
Amortization expense	-	3,115	201,503	132,242	66,843	76	289,488	693,267
Balance, end of year	-	6,450	3,585,879	4,961,451	1,242,797	3,667	5,577,714	15,377,958
Net book value	916,697	137,938	6,717,308	2,261,054	745,407	368	4,922,109	15,700,881

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

11. CONTRIBUTIONS TO NON-CONSOLIDATED JOINT LOCAL BOARDS

Further to note 1(a) (ii), the following contributions were made by the Township to these joint local boards:

	2022	2021
	\$	\$
Manitoulin-Sudbury District Services Board	386,730	380,156
Sudbury & District Health Unit	41,673	38,947
	428,403	419,103

The Township's share of the assets, liabilities, revenue and expenses of these joint local boards are as follows:

	2022	2021
	%	%
Manitoulin-Sudbury District Services Board	3.560	3.530
Sudbury and District Health Unit	0.459	0.459

12. TRUST FUNDS

Trust funds administered by the Township amounting to \$214,165 (2021 - \$205,151) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statements of operations.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK

Notes to the Consolidated Financial Statements

December 31, 2022

13. SEGMENTED DISCLOSURE

The Township is a diversified municipal government institution that provides a wide range of services to citizens. Services include water, roads, fire, police, waste management, recreation programs, economic development, land use planning and health and social services. For management reporting purposes, the Government's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Township services are provided by departments and their activities are reported in these funds. Certain departments have been separately disclosed in the segmented information, along with the services they provide, and are as follows:

General Government

General government consists of: Office of the Mayor, Council expenses, administrative services (including clerks, elections, communications, legal and information technology services), human resources and financial departments. Areas within the general government respond to the needs of external and internal clients by providing high quality, supportive and responsive services. This area supports the operating departments in implementing priorities of Council and provides strategic leadership on issues, relating to governance, strategic planning and service delivery.

Protection Services

This section consists of fire, police, and animal control, building services, emergency measures and management of Provincial Offences Act. Police services ensure the safety of the lives and property of citizens; preserve peace and order; prevent crimes from occurring, detect offenders and enforce the law. Fire Services is responsible to provide fire suppression service; fire prevention programs, training and education related to prevention, detection and extinguishment of fires. The building services division processes permit applications and ensure compliance with the Ontario Building Code and with By-Laws enacted by Council.

Transportation Services

This area is responsible for management of roadways including bridges, traffic and winter control.

Environmental Services

In addition to the management of waterworks, this area is responsible for waste collection, waste disposal and recycling facilities and programs. This section is responsible for providing clean, potable water meeting all regulatory requirements and responsible for repairing breaks and leaks in the water system.

Health and Social Services

This section consists of assistance to aged persons, cemetery services as well as the Township's contribution to the Sudbury and District Health Unit and Manitoulin-Sudbury District Services Board.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

13. SEGMENTED DISCLOSURE (continued)*Recreation and Cultural Services*

This section provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure service and provides management of arenas and leisure facilities. This section also contributes to the information needs of the Township's citizens through the provision of library and cultural services and by preserving local history and managing archived data.

Planning and Development

The goal of this section is to offer coordinated development services in order to maximize economic development opportunities, and to ensure that the Township is planned and developed in accordance with the Ontario Planning Act, Provincial policies and good planning principles.

Certain allocation methodologies are employed in the preparation of segmented financial information.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK
Notes to the Consolidated Financial Statements
December 31, 2022

13. SEGMENTED DISCLOSURE (continued)

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health and Social Services \$	Recreation and Cultural Services \$	Planning and Development \$	2022 Total \$	2021 Total \$
Revenues									
Taxation	2,881,277	-	-	-	-	-	-	2,881,277	2,870,210
Grants	741,757	4,802	-	74,564	506,404	867,343	70,532	2,265,402	1,559,842
User fees and service charges	22,539	4,557	12,515	453,994	200,143	45,022	221,387	960,157	738,894
Other	176,181	76,082	9,277	36,065	1,547	3,637	102	302,891	186,948
	3,821,754	85,441	21,792	564,623	708,094	916,002	292,021	6,409,727	5,355,894
Expenditures									
Salaries, wages and benefits	457,504	116,028	315,729	37,149	10,838	106,335	70,115	1,113,698	1,071,467
Purchase of goods and materials	376,460	69,846	408,286	272,343	745,192	229,611	41,754	2,143,492	2,072,767
Contracts and services	40,184	283,117	24,277	240,186	-	-	-	587,764	574,696
Amortization	27,176	12,529	214,326	366,002	4,277	113,565	103	737,978	693,267
Financial expenses	16,006	-	-	-	-	1,200	-	17,206	15,979
Interest on long-term debt	11,381	-	3,096	24,725	-	10,930	979	51,111	35,001
Other transfers	-	-	31,777	-	428,406	-	-	460,183	494,121
	928,711	481,520	997,491	940,405	1,188,713	461,641	112,951	5,111,432	4,957,298
Excess (deficiency) of revenues over expenditures	2,893,043	(396,079)	(975,699)	(375,782)	(480,619)	454,361	179,070	1,298,295	398,596

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

14. PENSION PLAN

The Township makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of eight 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.

The amount contributed to OMERS for 2022 was \$61,789 (2021 - \$60,673) for current service and is included as an expenditure on the consolidated statement of operations.

At December 31, 2022, the OMERS pension plan had total assets of \$155.8 billion (2021 - \$137.8 billion) and an accumulated deficit of \$6.678 million (2021 – \$3.131 million deficit).

15. CONTINGENT LIABILITIES

The Township receives transfers from the governments of Canada and Ontario. Some government transfers are subject to audit by the transferring government with adjustments, if any, repayable to the transferring government. Audit adjustments, if any, are recorded in the accounts in the year in which they become known.

16. COMMITMENT

The Township has entered into a management services agreement with the Ontario Clean Water Agency (OCWA) to operate and maintain the Town's water treatment plant and distribution system. The agreement is for a ten-year period ending December 31, 2027. Required payments in each of the next five years are as follows:

	<u>\$</u>
2023	238,518
2024	242,653
2025	246,888
2026	251,228
2027	<u>255,677</u>

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

17. BUDGET

The budget adopted by Council was not prepared on a basis consistent with that used to report actual results in these consolidated financial statements. The budget was prepared on a modified accrual basis while Canadian public-sector accounting standards require the full accrual basis. The budget figures include a transfer of the anticipated annual surplus to reserves. In addition, the budget expenses all tangible capital acquisitions and does not include a provision for amortization expense. As a result, the budget figures presented in the consolidated statements of operations and changes in accumulated surplus represent the budget adopted by Council, adjusted as follows:

	2022
	\$
Budget surplus approved by Council	-
Less: Budgeted transfers from reserves and reserve funds	(123,958)
Add: Budgeted tangible capital asset additions	1,881,609
Add: Budgeted repayment of long-term debt	157,245
Budget surplus per consolidated financial statements	<u>1,914,896</u>

18. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party financial risk. The Township is exposed to the following risks associated with financial instruments and transactions it is a party to:

a) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Township is exposed to this risk relating to its cash, term deposits and various accounts receivable accounts.

The Township holds its cash accounts with large reputable financial institutions, from which management believes the risk of loss due to credit risk to be remote.

The Township is exposed to credit risk in accounts receivable which includes rate payers, government and other receivables. The Township measures its exposure to credit risk with respect to accounts receivable based on how long the amounts have been outstanding and management's analysis of accounts. Risk is minimized through managements' ongoing analysis and monitoring of outstanding accounts receivable balances and collections.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK**Notes to the Consolidated Financial Statements****December 31, 2022**

18. FINANCIAL INSTRUMENTS (continued)**b) Liquidity risk**

Liquidity risk is the risk that an entity cannot repay its obligations when they become due to its creditors. The Township is exposed to this risk relating to its accounts payable and accrued liabilities.

The Township reduces its exposure to liquidity risk by monitoring cash activities and expected outflow through extensive budgeting and maintaining enough cash to repay creditors, including long-term debt and capital lease obligation principle and interest, as those liabilities become due.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Township is exposed to this risk mainly in respect of its bank credit facilities.

The Township has minimal interest rate exposure on its bank credit facilities, which are variable based on the bank's prime rates. Interest expense incurred on the credit facilities is \$51,111 (2021 - \$35,001).

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

19. COVID-19 PANDEMIC

The COVID-19 global outbreak was declared a pandemic by the World Health Organization in March 2020. The negative impact of COVID-19 in Canada and on the global economy has been significant. The global pandemic has disrupted economic activities and supply chains resulting in governments worldwide, and in Canada, enacting emergency measures to combat the spread of the virus and protect the economy.

These financial statements have been prepared based upon conditions existing at December 31, 2022 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed at that date. Although the disruption from the pandemic is expected to be temporary, given the dynamic nature of these circumstances, the duration and severity of the disruption and related financial impact cannot be reasonably estimated at this time. The Township's ability to continue to service debt and meet obligations as they come due is dependent on its continued ability to generate cash flows. At this time, the full potential impact of COVID-19 on the Township is not known

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK
Schedule of Continuity of Reserves
December 31, 2022

	Total	Working Fund	Contingencies	Fire Department	Library Board	Water Works System	Emergency	Sunsite Water	Marina Docks	Legal Fees	Marina Beach Stairs Gas Pumps	Parklands	Elections	Safe Restart COVID	Planning	Water Main	Post Office Building	BWT	BWT Renovation	Bldg Dept.
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RESERVES																				
Balance, beginning of year	4,505,250	582,568	115,588	430,916	2,683	422,452	200	178,623	48,540	227,409	25,098	78,771	5,896	-	8,000	10,000	95,280	5,362	10,445	58,466
Appropriations from operations	1,233,963	74,308	6,472	26,366	-	60,367	-	15,965	-	11,310	30,033	200,000	-	50,375	-	-	9,710	-	-	29,482
Transfers	(5,896)	-	-	-	-	-	-	-	-	-	-	-	(5,896)	-	-	-	-	-	-	-
Appropriations to operations	(99,316)	(24,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,530)	-	-	-
Balance, end of year	5,634,001	632,876	122,060	457,282	2,683	482,819	200	194,588	48,540	238,719	55,131	278,771	-	50,375	8,000	10,000	97,460	5,362	10,445	87,948
	Unallocated Capital	PEC Events	McLeans Park	Sewer Mains	Landfill / Recycling	Norisle Removal	Public Works	Inactive Cemeteries	Arena	Cenotaph Restoration	IT	Community Access Program	Assiginack Business Association	Assiginack Historical Society	Fire Hydrants	Library Expansion	Municipal Building	Medical Clinic	Information Booth	Fire Hall Capital
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RESERVES																				
Balance, beginning of year	540,609	131,960	13,667	10,000	247,754	23,819	504,787	15,456	369,349	918	14,645	3,204	1,674	8,533	27,450	6,718	91,121	68,287	14,154	104,848
Appropriations from operations	-	26,392	-	-	-	4,089	628,463	-	41,139	-	-	-	-	-	-	-	7,373	7,245	4,874	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Appropriations to operations	(15,355)	-	-	-	-	-	-	-	(41,521)	-	-	-	-	-	-	-	-	(10,910)	-	-
Balance, end of year	525,254	158,352	13,667	10,000	247,754	27,908	1,133,250	15,456	368,967	918	14,645	3,204	1,674	8,533	27,450	6,718	98,494	64,622	19,028	104,848

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, 2022, 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, 2022, 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

Espanola, Ontario
July 18, 2023

THE CORPORATION OF THE TOWNSHIP OF ASSIGINACK
TRUST FUNDS
Statement of Financial Position
December 31, 2022

	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	89,361	32,217	204,627
Due from (to) Township	-	-	-	-	10,886	(1,348)	9,538
Net Assets	230	15,628	57,581	9,610	100,247	30,869	214,165

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, 2022

	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	92,773	29,329	205,151
Revenues							
Plot sales	-	-	-	-	6,100	1,150	7,250
Interest income	-	-	-	-	1,374	390	1,764
	-	-	-	-	7,474	1,540	9,014
Expenditures	-	-	-	-	-	-	-
Net assets, end of year	230	15,628	57,581	9,610	100,247	30,869	214,165

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, 2022

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, 2022, 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, 2022, 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

Espanola, Ontario
July 18, 2023

ASSIGINACK PUBLIC LIBRARY BOARD
Statement of Financial Position
December 31, 2022 with comparative figures for 2021

	2022	2021
	\$	\$
Financial Assets		
Cash	6,792	33,046
Guaranteed investment certificates	48,576	38,381
Accounts receivable	210	10,421
	55,578	81,848
Financial Liabilities		
Accounts payable and accrued liabilities	-	33,531
Total Assets being Net Assets (note 2)	55,578	48,317

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, 2022 with comparative figures 2021

	Budget	2022 (Actual)	2021 (Actual)
	\$	\$	\$
Revenues			
Municipal contribution	41,685	41,685	41,685
Province of Ontario contributions	3,483	3,483	3,483
Donations	-	2,484	-
Interest and fines	-	656	305
Total Revenues	45,168	48,308	45,473
Expenditures			
Wages and employee benefits	34,492	33,060	32,761
Books and other library materials and equipment	4,893	4,199	4,585
Rent	1,200	1,200	1,200
Miscellaneous	1,810	923	466
Telephone	980	865	862
Office supplies	1,075	632	641
Insurance	168	168	168
Membership and conference	550	-	110
Total Expenditures	45,168	41,047	40,793
Annual surplus	-	7,261	4,680
Net assets, beginning of year	48,317	48,317	43,637
Net assets, end of year	48,317	55,578	48,317

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

ASSIGINACK PUBLIC LIBRARY BOARD**Notes to the Financial Statements****December 31, 2022**

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, guaranteed investment certificates and accounts receivable.

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

ASSIGINACK PUBLIC LIBRARY BOARD
Notes to the Financial Statements
December 31, 2022

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:

	2022	2021
	\$	\$
To be used:		
- for the general reduction of user charges	52,895	45,634
- for the reserve fund	2,683	2,683
	55,578	48,317

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, 2022, 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, 2022, 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

Espanola, Ontario
July 18, 2023

ASSIGINACK MUSEUM BOARD
Statement of Financial Position
December 31, 2022 with comparative figures for 2021

	2022	2021
	\$	\$
Financial Assets		
Cash	132,040	108,940
Accounts receivable	1,011	5,000
	133,051	113,940
Financial Liabilities		
Accounts payable and accrued liabilities	102,796	86,758
Net assets	30,255	27,182

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, 2022 with comparative figures for 2021

	2022	2021
	\$	\$
Revenues		
Municipal grant	20,000	20,000
Province of Ontario	7,071	5,283
Government of Canada	4,000	5,000
Admission, sales and other	3,686	2,623
Total Revenues	34,757	32,906
Expenditures		
Wages	24,275	15,161
Utilities	4,344	4,390
Repairs and maintenance	1,589	1,490
Telephone	1,010	1,589
Operating supplies and materials	247	-
Advertising and memberships	219	140
Total Expenditures	31,684	22,770
Annual surplus	3,073	10,136
Net assets, beginning of year	27,182	17,046
Net assets, end of year	30,255	27,182

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

ASSIGINACK MUSEUM BOARD**Notes to the Financial Statements****December 31, 2022**

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 and accounts receivable.

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, 2022, 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, 2022, 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

Espanola, Ontario
July 18, 2023

HILLY GROVE CEMETERY BOARD
Statement of Financial Position
December 31, 2022 with comparative figures for 2021

	2022	2021
	\$	\$
Financial Assets		
Cash	19,526	55,180
Accounts receivable	135	5,135
Total Assets	19,661	60,315
Financial Liabilities		
Accounts Payable	-	182
Due to Township of Assiginack	34,728	72,624
Due to Perpetual Care Trust	10,886	14,863
Due to (from) Monument Trust	(1,348)	5,163
Total Liabilities	44,266	92,832
Net Debt	(24,605)	(32,517)

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, 2022 with comparative figures for 2021**

	2022	2021
	\$	\$
Revenues		
Municipal contributions	9,000	9,000
Plot and monument sales	18,225	17,165
Opening and closing	6,000	3,939
Donations	-	3,000
Interest and other	-	21
Total Revenues	33,225	33,125
Expenditures		
Wages and benefits	10,215	22,503
Plot and monument sales	7,250	6,700
Interment fees	4,550	1,750
Repairs and maintenance	1,484	3,023
Miscellaneous	1,443	2,266
Hydro and fuel	371	330
Total Expenditures	25,313	36,572
Annual surplus (deficit)	7,912	(3,447)
Net debt, beginning of year	(32,517)	(29,070)
Net debt, end of year	(24,605)	(32,517)

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

HILLY GROVE CEMETERY BOARD

Note to the Financial Statements

December 31, 2022

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 \$131,116 (2021- \$122,102) 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, 2022, 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, 2022, 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

Espanola, Ontario
July 18, 2023p

HILLY GROVE CEMETERY BOARD
TRUST FUNDS
Statement of Financial Position
December 31, 2022 with comparative figures for 2021

	Perpetual Care	Monuments	2022	2021
	\$	\$	\$	\$
Assets				
Cash	89,361	32,217	121,578	102,076
Due from (to) Cemetery Board	10,886	(1,348)	9,538	20,026
Total Assets being Net Assets	100,247	30,869	131,116	122,102

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, 2022 with comparative figures for 2021**

	Perpetual Care	Monuments	2022	2021
	\$	\$	\$	\$
Net assets, beginning of year	92,773	29,329	122,102	113,682
Receipts				
Sales	6,100	1,150	7,250	6,700
Interest earned	1,374	390	1,764	1,720
	7,474	1,540	9,014	8,420
Expenditures	-	-	-	-
Net assets, end of year	100,247	30,869	131,116	122,102

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

HILLY GROVE CEMETERY BOARD
TRUST FUNDS
Notes to the Financial Statements
December 31, 2022

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.