



Township of Douro-Dummer Agenda for a Special Meeting of Council

Tuesday, April 15, 2025, 4:00 p.m.
Council Chambers in the Municipal Building

Please note, that Council may, by general consensus, change the order of the agenda, without prior notification, in order to expedite the efficiency of conducting business

Hybrid Meetings

Regular and Special meetings of Council are being held in person and electronically. Regular Meetings are recorded and live-streamed on the Township YouTube channel. Special Meetings will be recorded and live-streamed where feasible.

To watch the meeting live or access a recording please visit the Township's YouTube Channel
https://www.youtube.com/channel/UCPpzm-uRBZRDjB89o2X6R_A

	Pages
1. Reason(s) for Special Meeting:	
This Special Council Meeting is being held to present the 2023 Audit and Draft Financial Statements to Council.	
2. Land Acknowledgement	
3. Disclosure of Pecuniary Interest:	
4. Adoption of Agenda: Special Meeting - April 15, 2025	
5. Delegations, Petitions or Presentations:	
5.1 Presentation - Bakertilly - 2023 Audit and Comparative Analysis	1
5.1.1 Township of Douro-Dummer - 2023 DRAFT Financial Statements	24
5.1.2 Township of Douro-Dummer - 2023 Management Report	
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6. Adjournment	

Now, for tomorrow



Township of Douro-Dummer

**Comparative Analysis
December 31, 2023**

**Council Presentation
April 15, 2025**

Independent Auditor's Report

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Township of Douro-Dummer as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Audit Procedures

Review of minutes of council

Substantive Testing

- Sampling
- Analytical review
- Management estimates

Systems documentation and related control testing

- Revenues
- Disbursements
- Payroll
- Journal entries

Audit Overview – Matters of Communication

Audit is complete pending:

- Council approval of financial statements
- Receipt of signed representation letter
- Receipt of legal letters

No significant difficulties encountered during the course of our audit procedures:

- No changes to initial audit plan
- No disagreements or difficulties with management
- Excellent cooperation from management and staff
- Additional audit procedures, presentation and disclosure related to Asset Retirement Obligations

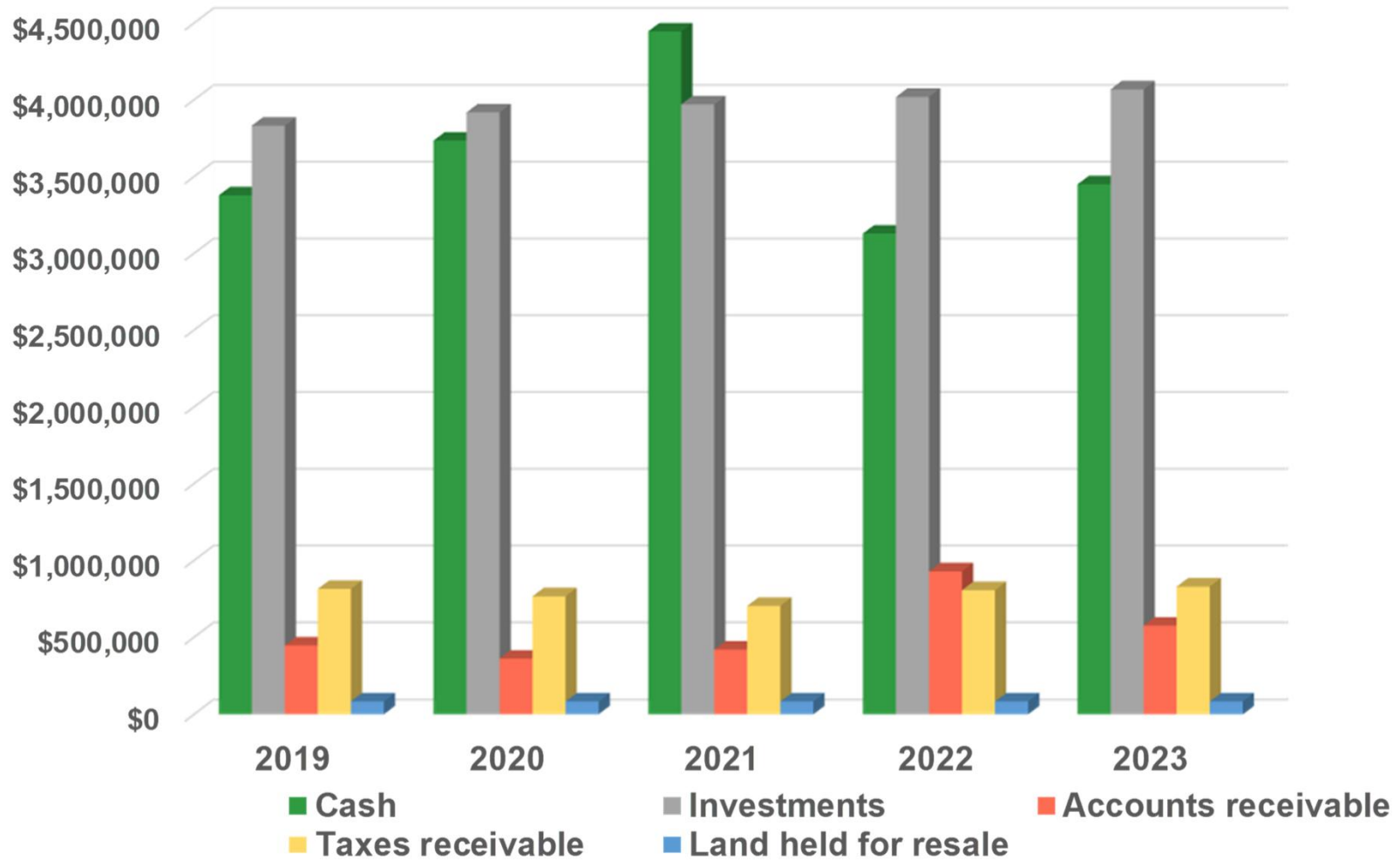
Uncorrected audit differences noted:

- Salary accrual understated.
- Investments understated
- A/P subledger not balancing to G/L.
- CCBF revenue understated
- Net effect not considered material to the financial statements

Financial Assets at December 31st

	2023	2022	2021	2020	2019
Cash	\$ 3,450,915	\$ 3,129,207	\$ 4,445,773	\$ 3,734,646	\$ 3,377,861
Investments	\$ 4,068,475	\$ 4,019,373	\$ 3,970,491	\$ 3,918,109	\$ 3,831,800
Accounts receivable	\$ 576,439	\$ 928,768	\$ 420,161	\$ 361,797	\$ 447,569
Taxes receivable	\$ 829,874	\$ 806,661	\$ 704,715	\$ 767,080	\$ 814,832
Land held for resale	\$ 83,487	\$ 83,487	\$ 83,487	\$ 83,487	\$ 83,487
	<u>\$ 9,009,190</u>	<u>\$ 8,967,496</u>	<u>\$ 9,624,627</u>	<u>\$ 8,865,119</u>	<u>\$ 8,555,549</u>

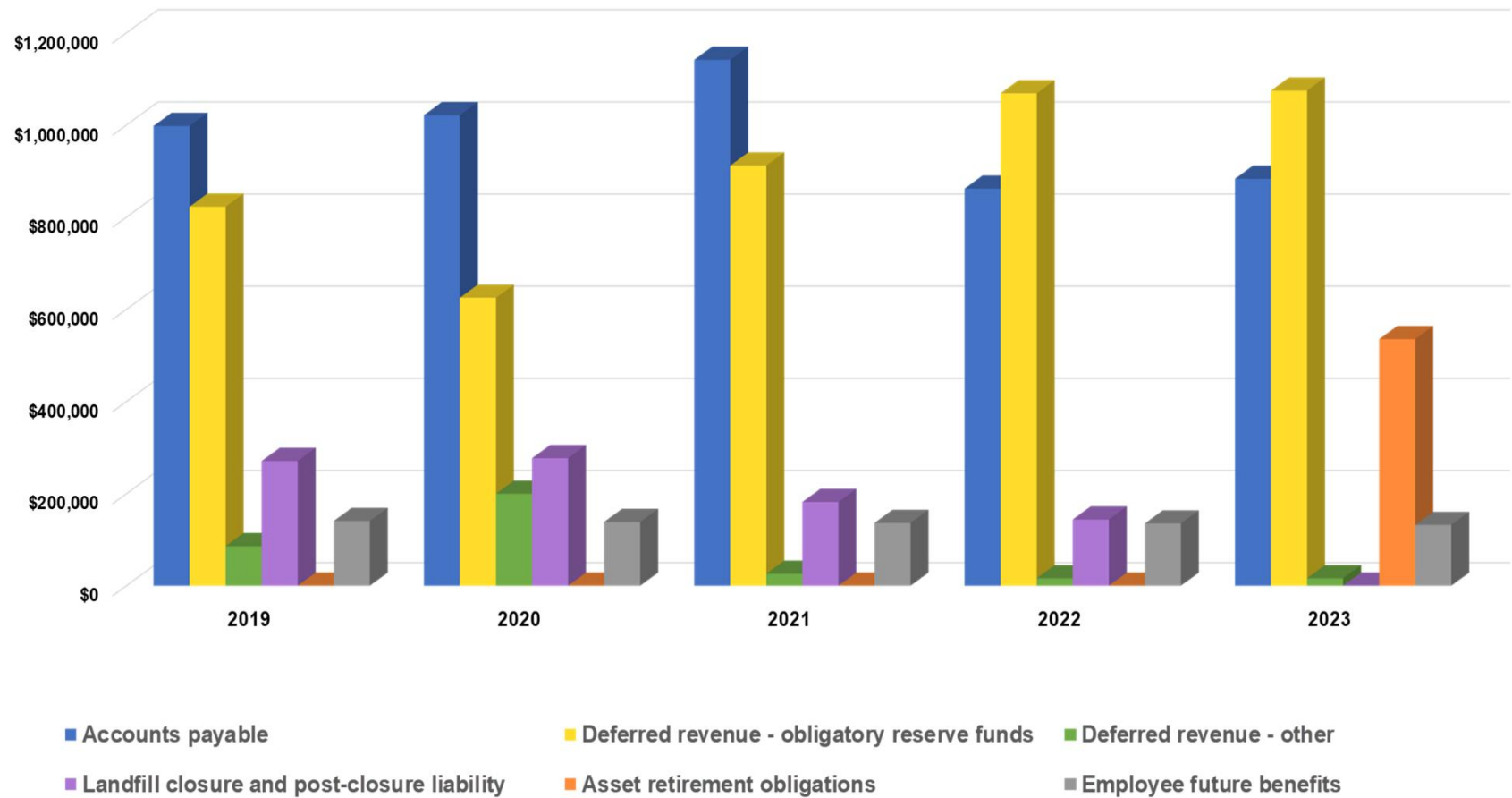
Financial Assets at December 31st



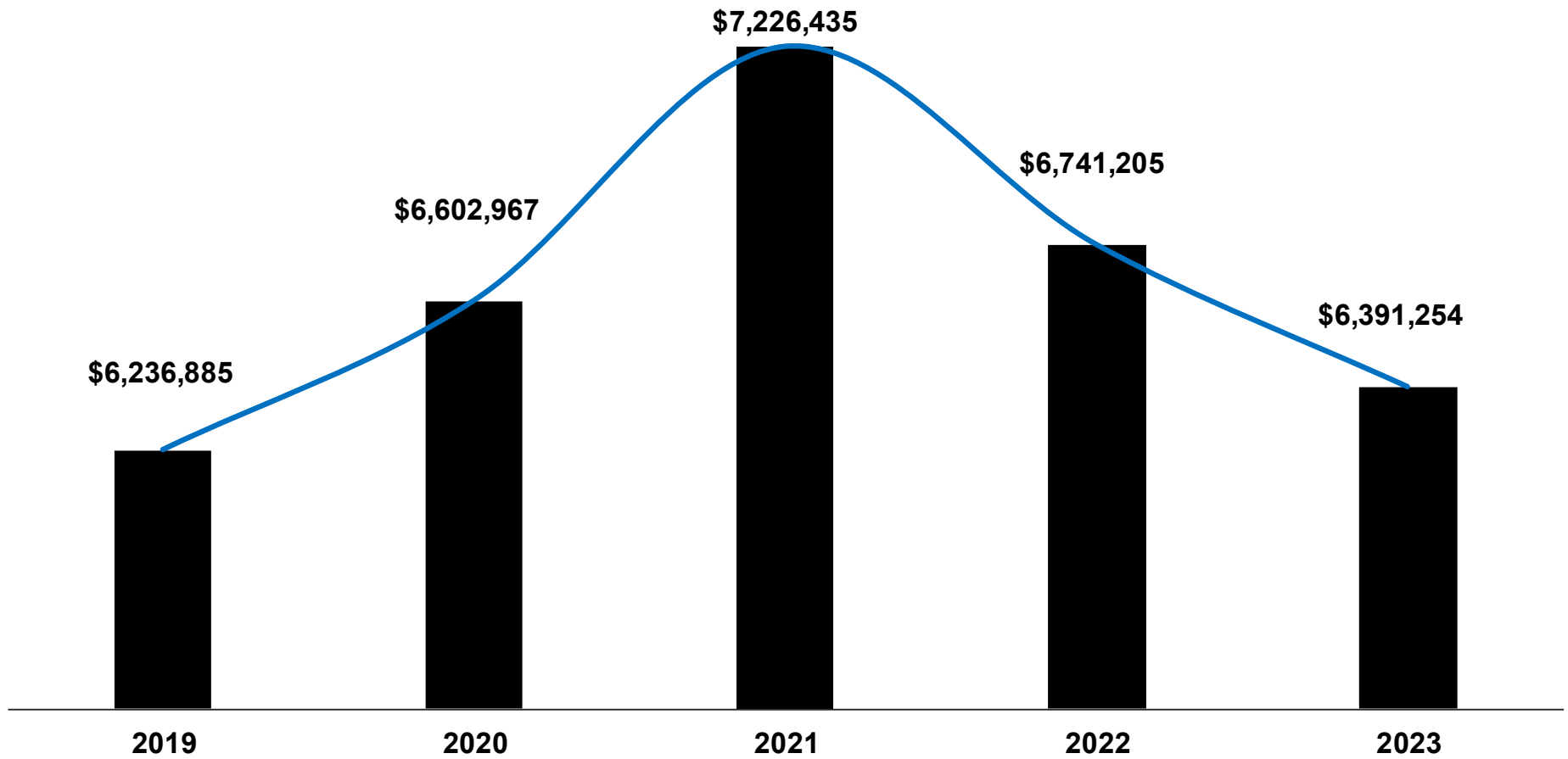
Financial Liabilities as at December 31st

	2023	2022	2021	2020	2019
Accounts payable	\$ 883,274	\$ 861,984	\$ 1,141,542	\$ 1,021,369	\$ 997,922
Deferred revenue - obligatory reserve funds	\$ 1,074,705	\$ 1,068,782	\$ 912,079	\$ 625,177	\$ 822,830
Deferred revenue - other	\$ 16,189	\$ 16,189	\$ 26,051	\$ 199,925	\$ 86,167
Landfill closure and post-closure liability	\$ -	\$ 144,000	\$ 182,000	\$ 277,000	\$ 271,000
Asset retirement obligations	\$ 535,250	\$ -	\$ -	\$ -	\$ -
Employee future benefits	\$ 132,167	\$ 135,336	\$ 136,520	\$ 138,681	\$ 140,745
	<u>\$ 2,641,585</u>	<u>\$ 2,226,291</u>	<u>\$ 2,398,192</u>	<u>\$ 2,262,152</u>	<u>\$ 2,318,664</u>

Financial Liabilities as at December 31st



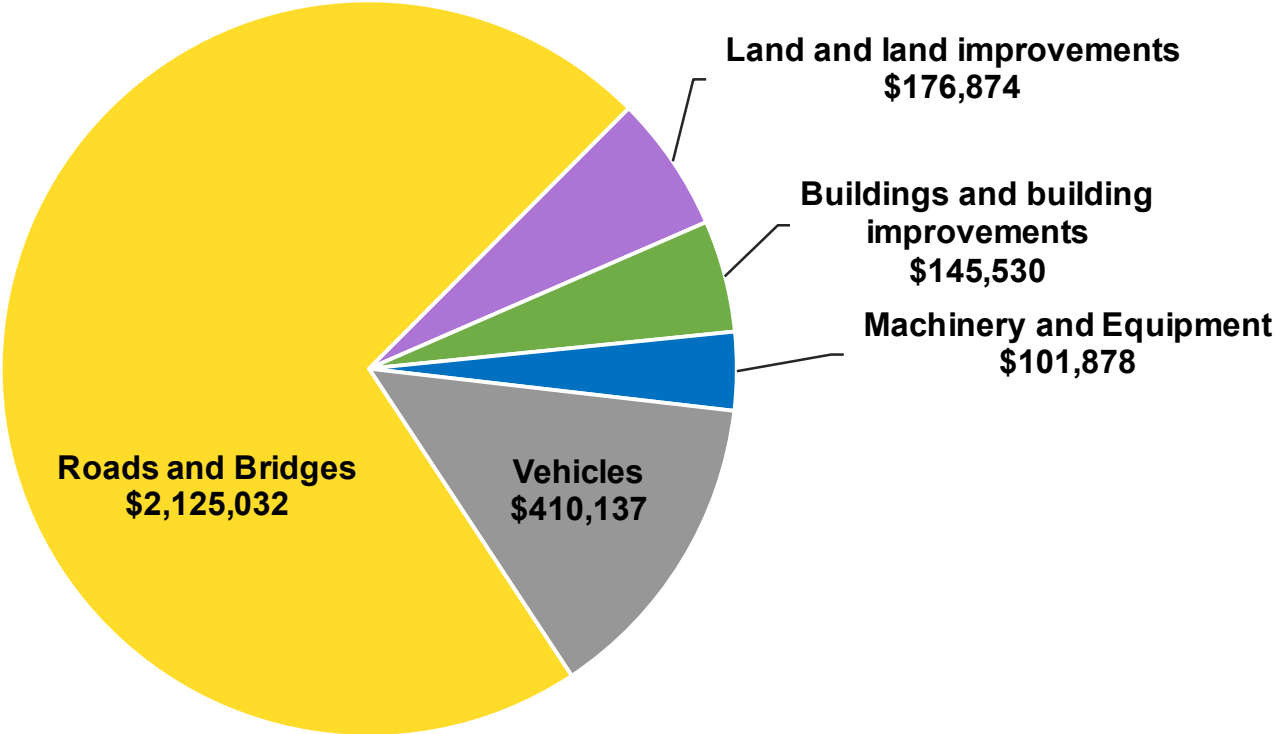
Net Financial Assets – 5 Year Trend



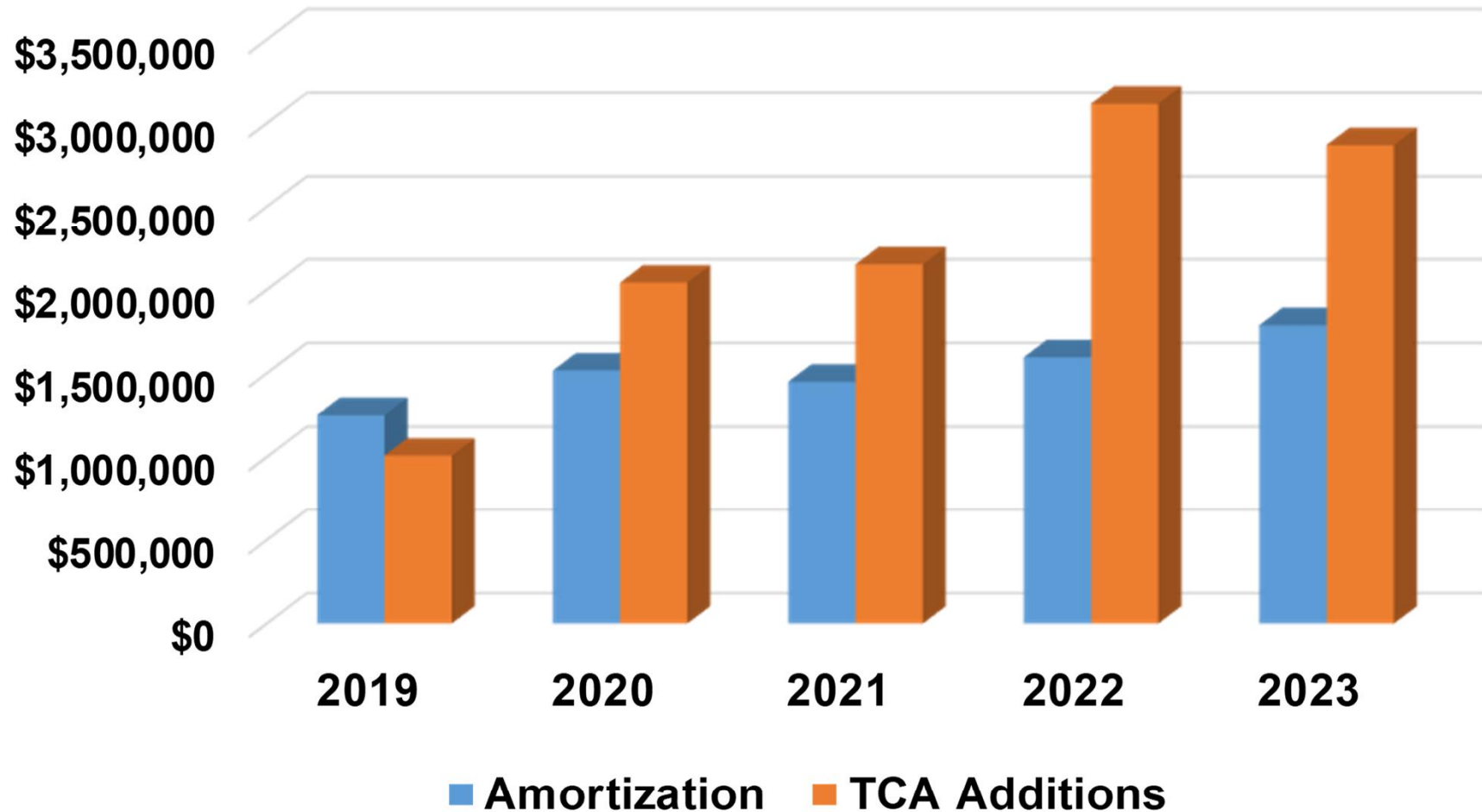
Non-Financial Assets as at December 31st

	2023	2022
Non-Financial Assets		
Tangible capital assets	29,817,641	28,646,260
Prepaid expenses	30,065	19,714
Inventories of materials and supplies	<u>318,479</u>	<u>262,630</u>
	<u>\$ 30,166,185</u>	<u>\$ 28,928,604</u>

Tangible Capital Assets – Additions



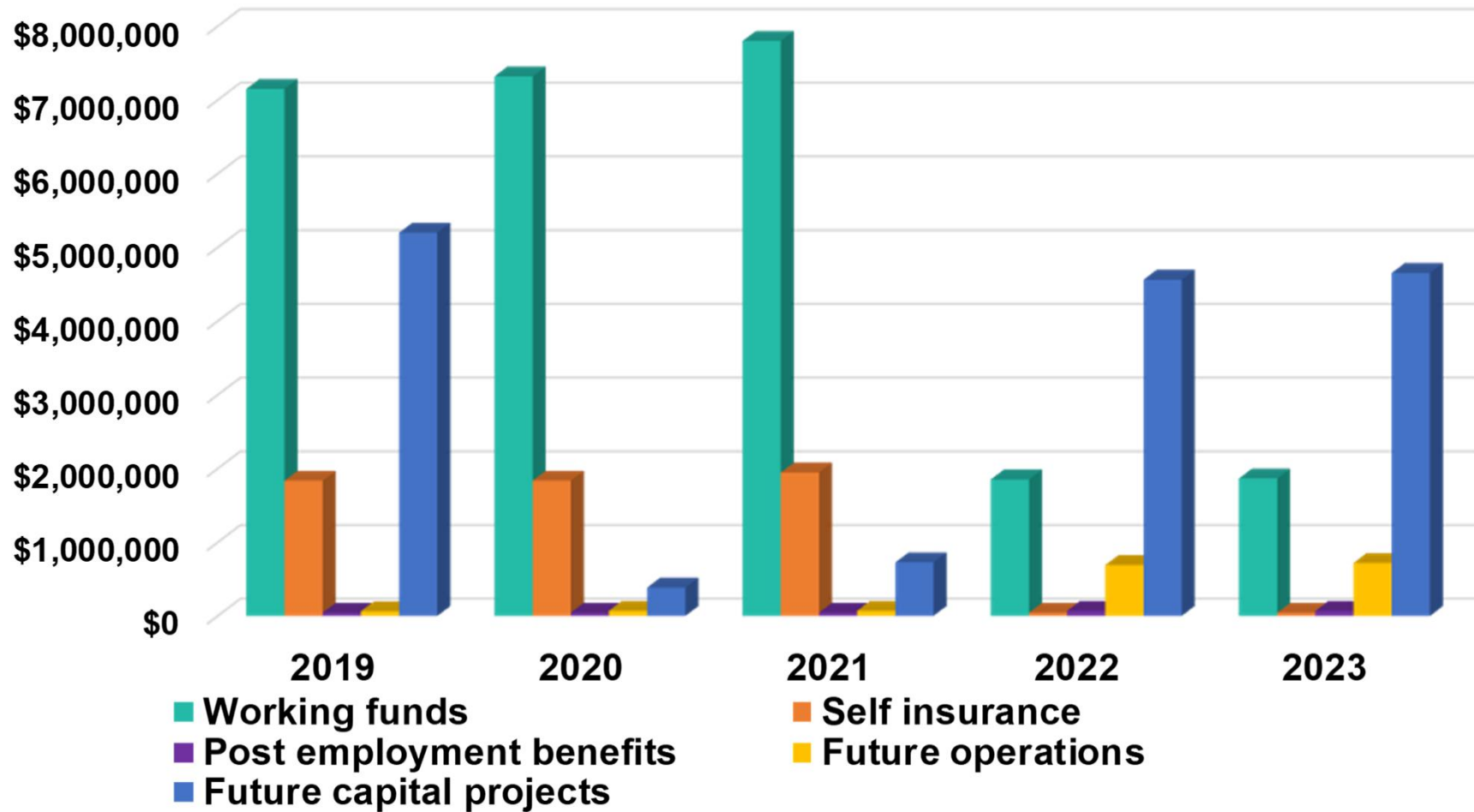
Tangible Capital Asset Additions vs Amortization



Accumulated Surplus

	2023	2022
Surplus (Deficit)		
Invested in capital assets	29,282,391	28,646,260
Land held for resale	83,488	83,487
Unfunded employee future benefits	(132,168)	(135,336)
Unfunded landfill closure and post-closure	-	(144,000)
Surplus	<u>\$ 29,233,711</u>	<u>\$ 28,450,411</u>
Reserves and Reserve Funds		
Working funds	1,866,190	1,853,080
Self insurance	43,221	43,221
Post employment benefits	69,156	69,156
Future operations	718,554	691,467
Future capital projects	4,653,441	4,562,474
Reserves and Reserve Funds	<u>\$ 7,350,562</u>	<u>\$ 7,219,398</u>
Accumulated Surplus	<u>\$ 36,584,273</u>	<u>\$ 35,669,809</u>

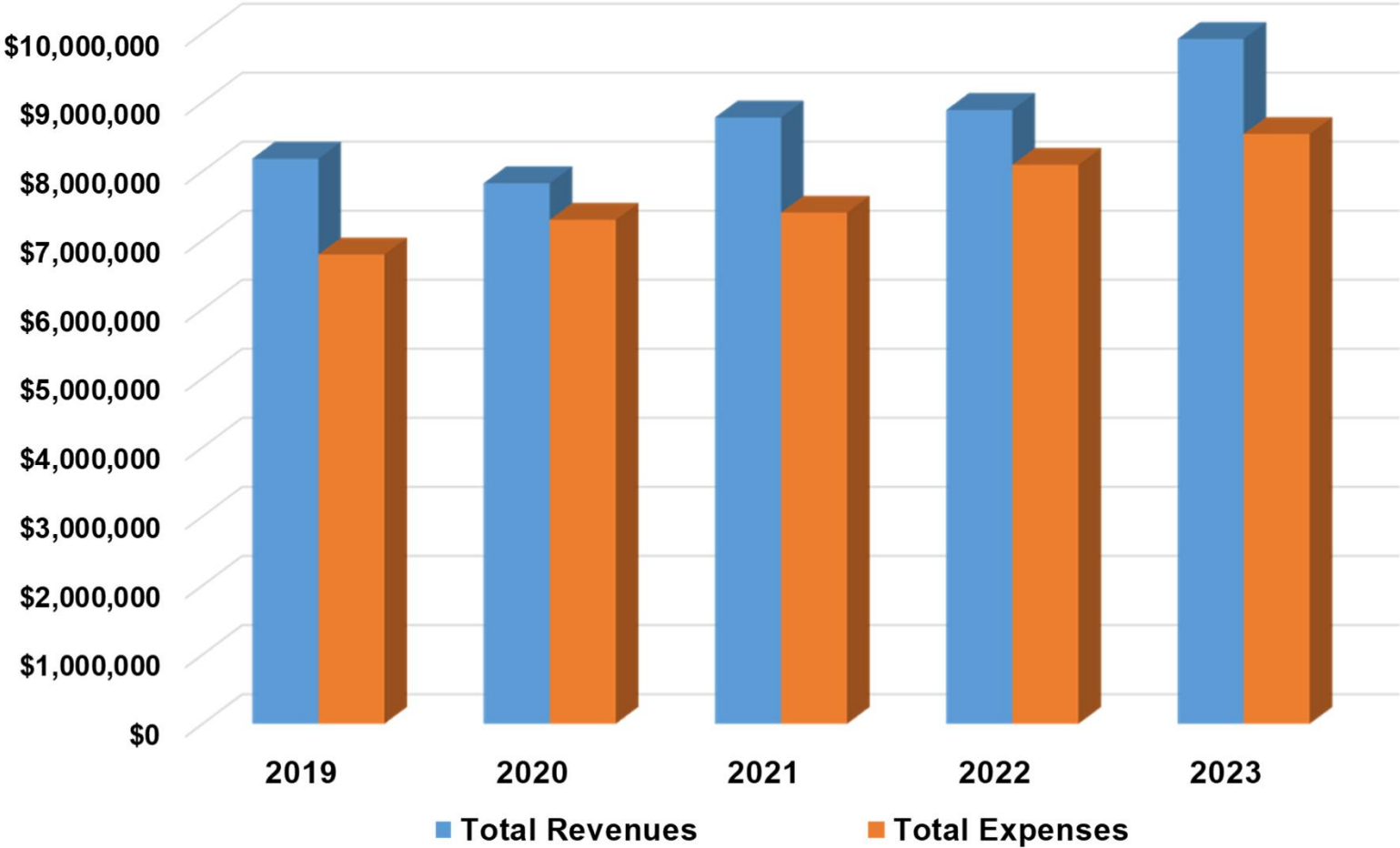
Reserves and Reserve Funds



Consolidated Statement of Operations

	2023 Budget	2023 Actual	2022 Actual
Total Revenues	\$ 9,446,569	\$ 9,916,315	\$ 8,887,192
Total Expenses	<u>8,629,569</u>	<u>8,539,851</u>	<u>8,093,117</u>
PSAB Annual surplus	817,000	1,376,464	794,075
Accumulated Surplus - Beginning as restated		<u>35,207,809</u>	<u>34,875,734</u>
Accumulated Surplus - Ending		<u>\$ 36,584,273</u>	<u>\$ 35,669,809</u>
Operating Surplus Reconciliation	\$ 817,000	\$ 1,376,464	\$ 794,075
Amortization of tangible capital assets	1,596,089	1,788,070	1,596,089
Purchase of tangible capital assets	(3,678,521)	(2,869,201)	(3,117,094)
Loss/(gain) on disposal of tangible capital assets	-	(32,873)	14,801
Change in landfill closure and post-closure liability	-	(144,000)	(38,000)
Change in unfunded employee benefits	-	(3,169)	(1,184)
Proceeds on sale of tangible capital assets	-	32,873	170,894
Transfer to reserves and reserve funds	(381,168)	(141,203)	(191,622)
Transfer from reserves and reserve funds	1,646,600	10,039	772,041
Asset retirement obligations	<u>-</u>	<u>(17,000)</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>

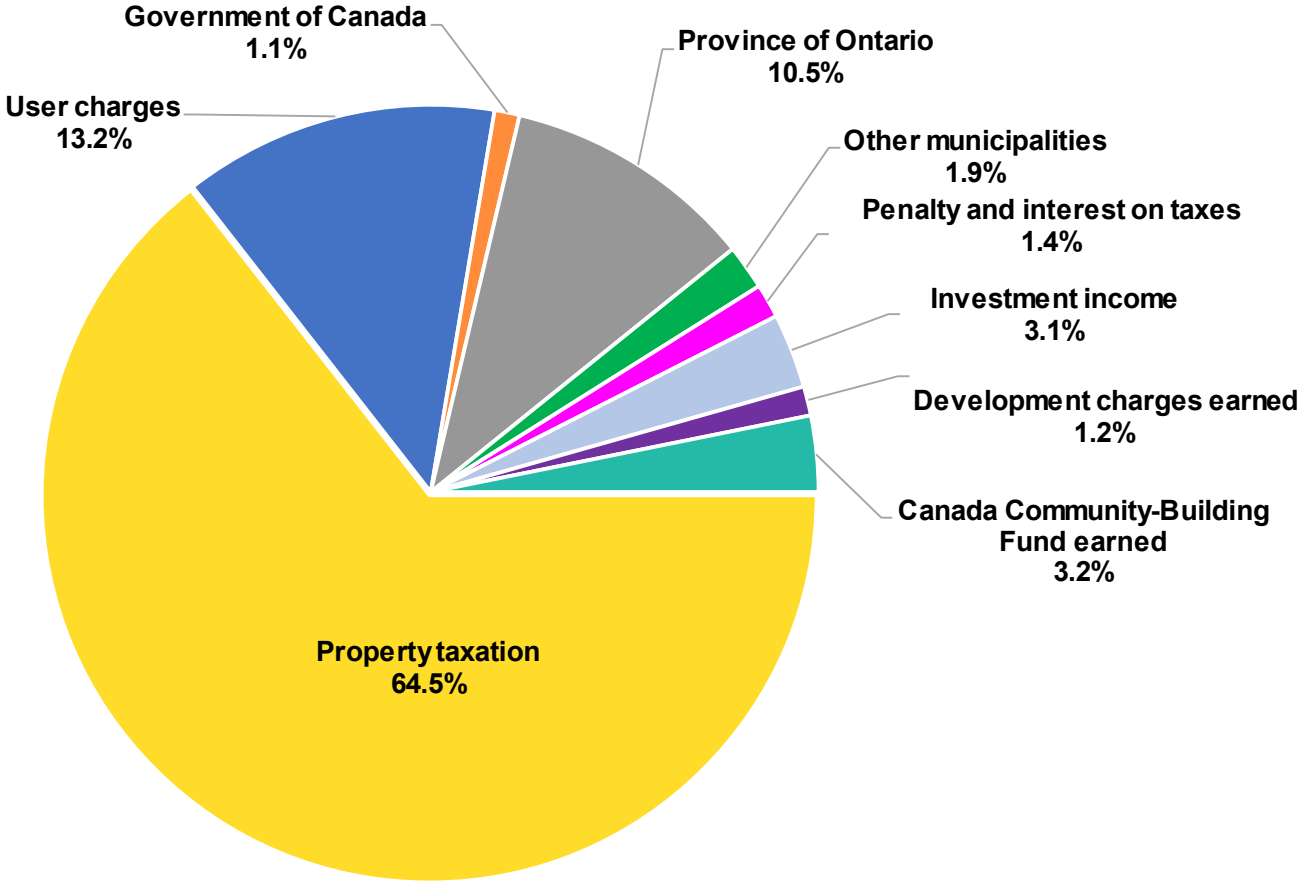
Total Revenues and Expenses



Financial Activities – Revenues

	2023 Budget	2023 Actual	2022 Actual
Property taxation	\$ 6,398,931	\$ 6,390,536	\$ 6,063,978
User charges	1,345,173	1,305,694	1,130,029
Government of Canada	4,464	105,287	242,902
Province of Ontario	849,843	1,041,143	800,090
Other municipalities	194,909	186,009	9,250
Penalty and interest on taxes	120,000	141,363	126,196
Investment income	108,000	308,248	160,650
Donations	281	482	15,722
Other Revenue	-	1,157	2,597
Insurance proceeds	-	-	144,831
Development charges earned	207,901	122,499	-
Parkland fees earned	-	-	64,847
Canada Community-Building Fund earned	217,067	313,897	126,100
Total Revenues	<u>\$ 9,446,569</u>	<u>\$ 9,916,315</u>	<u>\$ 8,887,192</u>

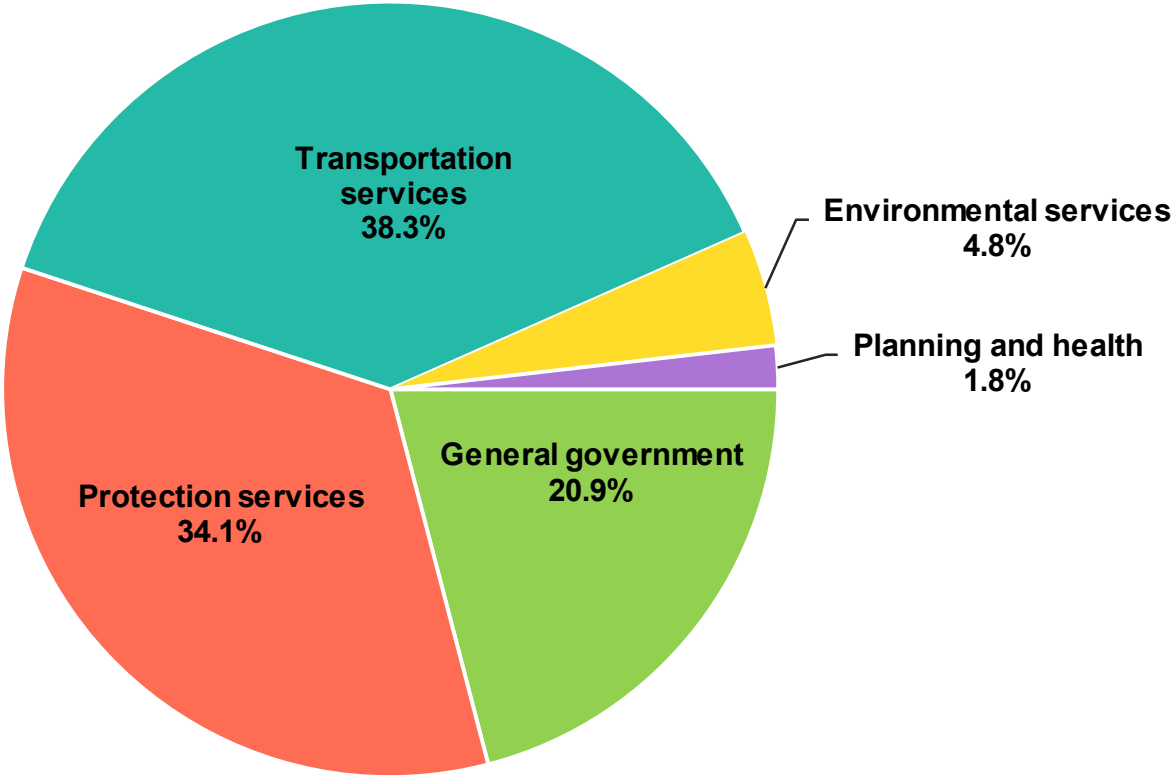
Financial Activities – Revenues



Financial Activities – Expenses

	2023	2023	2022
	Budget	Actual	Actual
General government	\$ 1,502,396	\$ 1,578,185	\$ 1,502,071
Protection services	2,747,701	2,573,470	2,290,847
Transportation services	2,680,924	2,885,054	2,857,802
Environmental services	350,441	363,437	291,830
Health services	2,227	1,444	3,072
Recreation and cultural services	1,181,530	1,145,390	1,025,035
Planning and health	164,350	136,871	84,460
Change in landfill liability	-	(144,000)	38,000
Total Expenses	<u>\$ 8,629,569</u>	<u>\$ 8,539,851</u>	<u>\$ 8,093,117</u>

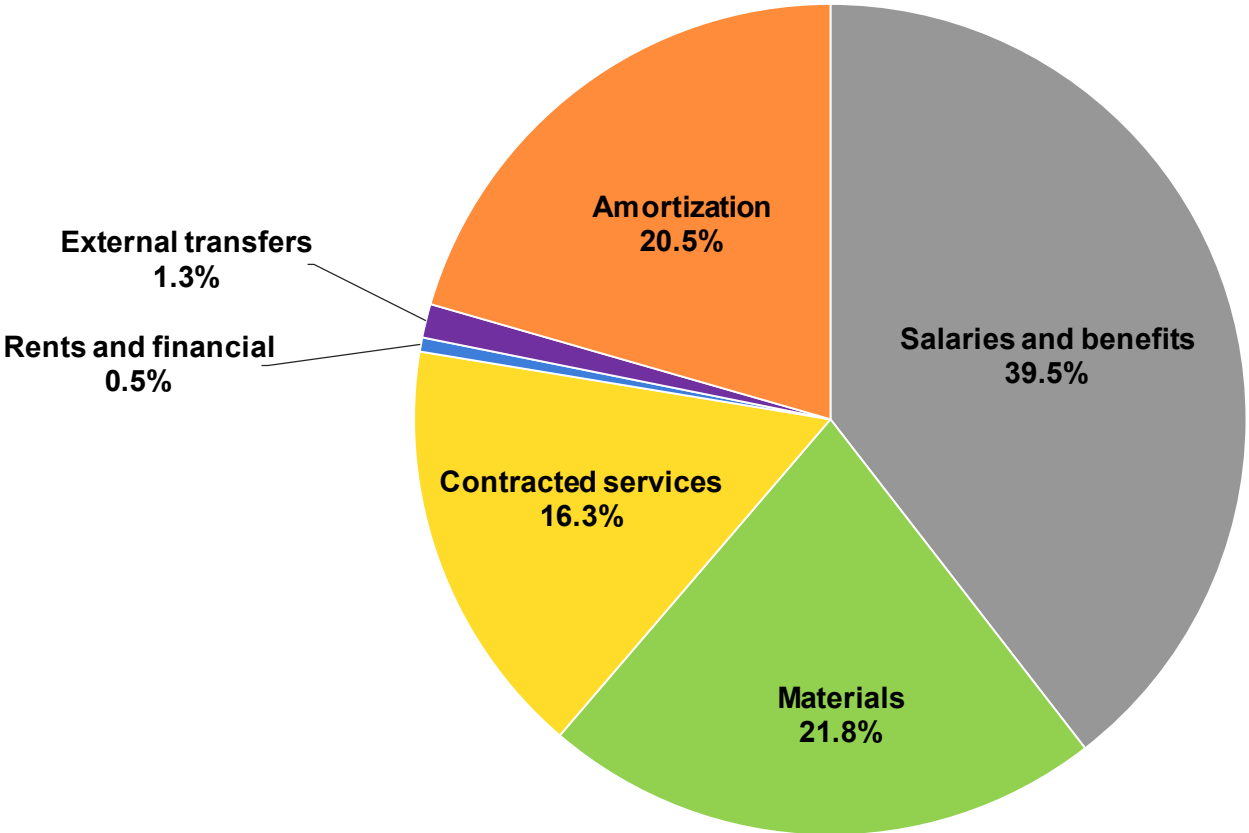
Financial Activities – Expenses



Expenses – Segmented Information

	2023	2023	2022
	Budget	Actual	Actual
Salaries and benefits	\$ 3,616,005	\$ 3,443,565	\$ 2,805,007
Materials	1,731,438	1,898,274	2,009,465
Contracted services	1,568,774	1,424,880	1,553,139
Rents and financial	4,800	46,652	7,940
External transfers	112,463	115,283	106,676
Amortization	1,596,089	1,788,070	1,596,089
Loss (gain) on disposal of tangible capital assets	-	(32,873)	14,801
Change in landfill liability	-	(144,000)	-
Total Expenses	<u>\$ 8,629,569</u>	<u>\$ 8,539,851</u>	<u>\$ 8,093,117</u>

Expenses – Segmented Information



Now, for tomorrow

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

Draft April 7, 2025

**CORPORATION OF THE TOWNSHIP OF
DOURO-DUMMER**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

For The Year Ended December 31, 2023

MANAGEMENT REPORT

The accompanying consolidated financial statements of the Corporation of the Township of Douro-Dummer are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Township maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Township's assets are appropriately accounted for and adequately safeguarded.

The Township's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving financial statements.

Council reviews and approves the Township's financial statements for issuance to the members of Council, inhabitants and ratepayers of the Corporation of the Township of Douro-Dummer. Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities and to review the financial statements and the independent auditor's report.

The consolidated financial statements have been audited by Baker Tilly KDN LLP in accordance with Canadian generally accepted auditing standards on behalf of the Township. Baker Tilly KDN LLP has full and free access to Council.

Mayor

Treasurer

April 15, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Douro-Dummer

Opinion

We have audited the consolidated financial statements of the Corporation of the Township of Douro-Dummer and its local board (the Township), which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statements of operations and accumulated surplus, remeasurement gains and (losses), change in net financial 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 consolidated financial position of the Township as at December 31, 2023, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Township 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 Township'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 Township or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 Township'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 Township'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 Township to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Township to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
April 15, 2025

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2023

	2023	2022
	\$	\$
FINANCIAL ASSETS		
Cash	3,450,915	3,129,207
Investments (note 5)	4,068,475	4,019,373
Accounts receivable	576,439	928,768
Taxes receivable	829,874	806,661
Land held for resale	83,487	83,487
TOTAL FINANCIAL ASSETS	9,009,190	8,967,496
LIABILITIES		
Accounts payable	883,274	861,984
Deferred revenue - obligatory reserve funds (note 6)	1,074,705	1,068,782
Deferred revenue - other (note 7)	16,189	16,189
Landfill closure and post-closure liability (note 17)	-	144,000
Asset retirement obligations (note 16)	535,250	-
Employee future benefits (note 8)	132,167	135,336
TOTAL LIABILITIES	2,641,585	2,226,291
NET FINANCIAL ASSETS	6,367,605	6,741,205
NON-FINANCIAL ASSETS		
Tangible capital assets (note 9)	29,817,641	28,646,260
Prepaid expenses	30,065	19,714
Inventories of materials and supplies	318,479	262,630
TOTAL NON-FINANCIAL ASSETS	30,166,185	28,928,604
	36,533,790	35,669,809
Comprised of:		
Accumulated surplus (note 10)	36,584,273	35,669,809
Accumulated remeasurement losses	(50,483)	-
	36,533,790	35,669,809

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2023

	Budget 2023 \$ (Unaudited)	Actual 2023 \$	Actual 2022 \$
REVENUES			
Property taxation	6,398,931	6,390,536	6,063,978
User charges	1,345,173	1,305,694	1,130,029
Government of Canada	4,464	105,287	242,902
Province of Ontario	849,843	1,041,143	800,090
Other municipalities	194,909	186,009	9,250
Penalty and interest on taxes	120,000	141,363	126,196
Investment income	108,000	308,248	160,650
Donations	281	482	15,722
Other	-	1,157	2,597
Insurance proceeds	-	-	144,831
Development charges earned (note 6)	207,901	122,499	-
Parkland fees earned (note 6)	-	-	64,847
Canada Community-Building Fund earned (note 6)	217,067	313,897	126,100
TOTAL REVENUES	9,446,569	9,916,315	8,887,192
EXPENSES			
General government	1,502,396	1,578,185	1,502,071
Protection services	2,747,701	2,573,470	2,290,847
Transportation services	2,680,924	2,885,054	2,857,802
Environmental services	350,441	363,437	367,830
Health services	2,227	1,444	3,072
Recreation and cultural services	1,181,530	1,145,390	1,025,035
Planning and development	164,350	136,871	84,460
Change in landfill liability	-	(144,000)	(38,000)
TOTAL EXPENSES	8,629,569	8,539,851	8,093,117
ANNUAL SURPLUS	817,000	1,376,464	794,075
ACCUMULATED SURPLUS - beginning of year		35,669,809	34,875,734
ADJUSTMENT ON ADOPTION OF THE ASSET RETIREMENT OBLIGATION STANDARD (note 17)		(462,000)	-
ACCUMULATED SURPLUS - beginning of year, as restated		35,207,809	34,875,734
ACCUMULATED SURPLUS - end of year		36,584,273	35,669,809

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND (LOSSES)

For the Year Ended December 31, 2023

	Actual 2023 \$	Actual 2022 \$
ACCUMULATED REMEASUREMENT GAINS AND (LOSSES)		
- beginning of year	-	-
Adjustment on adoption of the financial instruments standard	(61,329)	-
Unrealized gain/(loss) on portfolio investments during the year	10,846	-
ACCUMULATED REMEASUREMENT GAINS AND (LOSSES)		
- end of year	(50,483)	-

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2023

	Budget 2023 \$ (Unaudited)	Actual 2023 \$	Actual 2022 \$
ANNUAL SURPLUS	817,000	1,376,464	794,075
Amortization of tangible capital assets	1,596,089	1,788,070	1,596,089
Purchase of tangible capital assets	(3,678,521)	(2,869,201)	(3,117,094)
Loss/(gain) on disposal of tangible capital assets	-	(32,873)	14,801
Proceeds on sale of tangible capital assets	-	32,873	170,895
Change in prepaid expenses	-	(10,351)	472
Change in inventories of materials and supplies	-	(55,849)	55,532
INCREASE/(DECREASE) IN NET FINANCIAL ASSETS	(1,265,432)	229,133	(485,230)
NET FINANCIAL ASSETS - beginning of year	6,741,205	6,741,205	7,226,435
ADJUSTMENT ON ADOPTION OF THE ASSET RETIREMENT OBLIGATION STANDARD (note 17)	-	(552,250)	-
ADJUSTMENT ON ADOPTION OF THE FINANCIAL INSTRUMENTS STANDARD (note 17)	-	(61,329)	-
NET FINANCIAL ASSETS - beginning of year, as restated	6,741,205	6,127,626	7,226,435
DECREASE IN ACCUMULATED REMEASUREMENT LOSSES	-	10,846	-
NET FINANCIAL ASSETS - end of year	5,475,773	6,367,605	6,741,205

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2023

	2023	2022
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	1,376,464	794,075
Items not affecting cash		
Amortization of tangible capital assets	1,788,070	1,596,089
Loss/(gain) on disposal of tangible capital assets	(32,873)	14,801
Change in landfill closure and post-closure liability	(144,000)	(38,000)
Change in employee future benefits	(3,169)	(1,184)
Change in asset retirement obligations	(17,000)	-
Change in non-cash assets and liabilities		
Accounts receivable	352,329	(508,607)
Taxes receivable	(23,213)	(101,946)
Prepaid expenses	(10,351)	472
Inventories of materials and supplies	(55,849)	55,532
Accounts payable	21,290	(279,558)
Deferred revenue - obligatory reserve funds	5,923	156,703
Deferred revenue - other	-	(9,862)
Net change in cash from operating activities	3,257,621	1,678,515
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(2,869,201)	(3,117,094)
Proceeds on disposal of tangible capital assets	32,873	170,895
Net change in cash from capital activities	(2,836,328)	(2,946,199)
INVESTING ACTIVITIES		
Purchase of investments	(1,599,585)	(1,358,882)
Disposal of investments	1,500,000	1,310,000
Net change in cash from investing activities	(99,585)	(48,882)
NET CHANGE IN CASH	321,708	(1,316,566)
CASH - beginning of year	3,129,207	4,445,773
CASH - end of year	3,450,915	3,129,207

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

The Township of Douro-Dummer is a lower tier municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies are as follows:

(a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity.

The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Township and which are owned and controlled by the Township. These consolidated financial statements include:

- Douro-Dummer Public Library

All interfund assets and liabilities and revenues and expenses are eliminated.

(b) Trust funds

Trust funds and their related operations administered by the Township are not included in these consolidated financial statements but are reported on separately on the Trust Funds Statement of Continuity and Statement of Financial Position.

(c) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	20 to 25 years
Buildings and building improvement	10 to 50 years
Machinery and equipment	5 to 40 years
Vehicles	5 to 30 years
Computers and computer software	5 years
Roads and bridges	10 to 50 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Recognition of Revenues and Expenses

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Property taxation

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation (MPAC) and in accordance with the provisions of the Municipal Act, 2001. The Township's Council establishes the tax rates annually, incorporating amounts to be raised for local services, and amounts the Township is required to collect on behalf of the County and School Boards. From time to time property assessments are adjusted by MPAC through the reconsideration process or by the Assessment Review Board through the appeal process. Additional assessments, referred to as supplementary and omitted assessment can also be issued by MPAC in accordance with the Assessment Act. These adjustments and additional assessments are reported in the financial statements when amounts can be reasonably determined.

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

Government funding and other grants

Government funding is recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

Other revenue

User charges are recognized as revenue in the year the goods and services are provided, with the exception of building permits that are recognized when the permits are issued.

Investment income is recorded when earned.

Canada Community-Building Fund revenue, development charges and parkland fees are recognized in the period in which the related expenditures are recorded.

(e) Non-financial assets

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

(f) Reserves and reserve funds

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and/or from reserves and reserve funds are an adjustment to the respective fund when approved.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Deferred revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(h) Use of estimates

Certain items recognized in the consolidated financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Township's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements or changes in such estimates in future periods could be significant. The Township's significant estimates include:

- The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values;
- The values of employee future benefit obligations and assets and the amount of employee future benefit costs charged to earnings depend on certain actuarial and economic assumptions; and
- The amount recorded as allowance for doubtful accounts receivable is based on management's estimate of future payments on receivable account balances.

In addition, the Township's implementation of PS3280 Asset Retirement Obligations has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets in conjunction with estimates of expected asset retirement costs, as well as the timing and duration of these retirement costs.

(i) Inventory

Inventory held for resale, which includes land, is stated at the lower of cost and net realizable value, with cost being the purchase price plus the cost to prepare the land for resale.

Inventory of materials and supplies is stated at weighted average cost.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(j) Financial Instruments

Financial instruments are classified as either fair value or amortized cost. The following chart shows the measurement method for each type of financial instrument.

Financial Instrument	Measurement Method
Cash	Amortized Cost
Investments:	
Guaranteed investment certificates	Amortized Cost
Bond fund	Fair Value
Accounts receivable	Amortized Cost
Taxes receivable	Amortized Cost
Accounts payable	Amortized Cost

Fair value category: The Township manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.

Amortized cost category: Amounts are measured at the initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument asset or financial instrument liability.

The following hierarchy provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(k) Asset Retirement Obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability for post-closure care relating to landfill sites has been recognized based on estimated future expenses. An additional liability for the removal of asbestos in several of the buildings owned by the Township has also been recognized based on estimated future expenses for remediation or disposal.

The liability for landfills is discounted using a present value calculation, and adjusted yearly for accretion expense and any amounts paid. The recognition of the asbestos liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the accounting policies outlined in (c).

2. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF PETERBOROUGH

During 2023, requisitions were made by the County of Peterborough and School Boards requiring the Township to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	School Boards \$	County \$
<u>Amounts requisitioned and remitted</u>	<u>2,593,942</u>	<u>6,120,987</u>

These amounts have not been included in the Consolidated Statement of Operations and Accumulated Surplus.

3. CONTINGENT LIABILITIES

The Township, in the course of its operations, is often named in lawsuits the outcomes of which are indeterminable at this time. No amounts in connection with these items have been reflected in these financial statements.

4. BUDGET FIGURES

The budget, approved by the Township, for 2023 is reflected on the Consolidated Statement of Operations and Accumulated Surplus and the Consolidated Statement of Change in Net Financial Assets. The budget established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to audit.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2023

5. INVESTMENTS

The investments held at the end of the year, are comprised of the following:

	Level	2023 \$	2022 \$
Held at amortized cost			
Cash held in investment accounts		106,364	105,575
GICs - interest ranging from 0.85% to 5.5%, maturing March 2024 to December 2028		3,450,454	-
GICs - interest ranging from 0.6% to 4.51%, maturing January 2023 to July 2026		-	3,363,345
One Fund - bond fund		-	550,453
		3,556,818	4,019,373
Held at fair value			
One Fund - bond fund	1	511,657	-
		4,068,475	4,019,373

Book cost of One fund - bond fund is \$562,140 at December 31, 2023 (2022 - \$550,453).

There were no transfers in or out of level 2 and level 3 during the year as outlined in note 1(j).

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

6. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, 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 reserve funds of the Township are summarized below:

	2023	2022
	\$	\$
Parkland	51,277	20,027
Development charges	171,230	169,245
Canada Community-Building Fund	852,198	879,510
	<u>1,074,705</u>	<u>1,068,782</u>

The continuity of deferred revenue - obligatory reserve funds is as follows:

	2023	2022
	\$	\$
Balance - beginning of year	1,068,782	912,079
Add amounts received:		
Development charges	124,484	88,628
Parkland fees	31,250	19,000
Canada Community-Building Fund	236,177	212,777
Interest	50,408	27,245
	<u>442,319</u>	<u>347,650</u>
Less transfer to operations:		
Development charges earned	122,499	-
Parkland fees earned	-	64,847
Canada Community-Building Fund earned	313,897	126,100
	<u>436,396</u>	<u>190,947</u>
Balance - end of year	<u>1,074,705</u>	<u>1,068,782</u>

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

7. DEFERRED REVENUE - OTHER

Included in deferred revenue - other are the following amounts:

	2023	2022
	\$	\$
Ontario Cannabis Legalization Implementation Fund	5,000	5,000
Ice and floor rentals	9,189	9,189
Other	2,000	2,000
	16,189	16,189

8. EMPLOYEE FUTURE BENEFITS

The Township provides eligible employees a benefit plan to pay costs of extended health and vision benefits after they retire. All benefits are provided upon retirement and continue for a period of 10 years, but not beyond the age 65, at which time the benefits cease. The actuarial valuation as at December 31, 2023 was based on assumptions about future events, such as inflation rates, interest rates, medical inflation rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect management's best estimate. The main actuarial assumptions employed for the valuation are as follows:

Expected discount rate	5.05%
Future health care premiums - first year (2021)	10.0%
- reducing over 10 years to	3.5%

The post-employment benefit is reported as an expense on the Consolidated Statement of Operations and Accumulated Surplus and is comprised as follows:

	2023	2022
	\$	\$
Accrued benefit obligation at January 1	102,532	110,629
Unamortized actuarial gains	32,804	25,891
Liability at January 1	135,336	136,520
Current year benefit cost	2,491	4,546
Interest on accrued benefit obligation	5,093	3,434
Less: benefit payments	(5,870)	(4,281)
Amortization of actuarial gains	(4,883)	(4,883)
Liability at December 31	132,167	135,336

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

9. TANGIBLE CAPITAL ASSETS

The net book value of the Township's tangible capital assets are:

	2023	2022
	\$	\$
General		
Land and land improvements	2,081,447	1,940,478
Buildings and building improvements	2,154,487	1,741,842
Machinery and equipment	1,673,670	1,795,399
Vehicles	2,958,433	2,865,751
Computers and computer software	9,982	20,876
Infrastructure		
Roads and bridges	20,027,104	19,441,951
	28,905,123	27,806,297
Assets under construction	912,518	839,963
	29,817,641	28,646,260

For additional information, see the Consolidated Schedule of Tangible Capital Assets.

During the year there were no write-downs of assets (2022 - \$Nil) and no interest capitalized (2022 - \$Nil).

The allocation of tangible capital assets by segment is as follows:

	2023	2022
	\$	\$
General government	1,151,972	1,150,762
Protection services	2,351,952	2,054,759
Transportation services	22,453,425	21,632,240
Environmental services	17,212	21,168
Health services	21,314	21,792
Recreation and cultural services	2,728,597	2,672,105
Planning and development	1,093,169	1,093,434
	29,817,641	28,646,260

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

10. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2023	2022
	\$	\$
Surplus/(Deficit)		
Land held for resale	83,487	83,487
Unfunded employee future benefits	(132,167)	(135,336)
Unfunded landfill closure and post-closure costs	-	(144,000)
	(48,680)	(195,849)
Invested In Capital Assets		
Tangible capital assets - net book value	29,817,641	28,646,260
Unfunded asset retirement obligation	(535,250)	-
	29,282,391	28,646,260
Surplus	29,233,711	28,450,411
Reserves		
Working funds	1,866,190	1,853,080
Self insurance	43,221	43,221
Post employment benefits	69,156	69,156
Future capital projects	4,644,658	4,553,691
Future operations	718,554	691,467
Total Reserves	7,341,779	7,210,615
Reserve Funds		
Future capital projects	8,783	8,783
	36,584,273	35,669,809

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

11. EXPENSES BY OBJECT

The expenses for the year reported on the Consolidated Statement of Operations and Accumulated Surplus by object are as follows:

	Budget 2023 \$ (Unaudited)	Actual 2023 \$	Actual 2022 \$
Salaries and benefits	3,616,005	3,443,565	2,805,007
Materials	1,731,438	1,898,274	2,009,465
Contracted services	1,568,774	1,424,880	1,591,139
Rents and financial	4,800	46,652	7,940
External transfers	112,463	115,283	106,676
Amortization	1,596,089	1,788,070	1,596,089
Change in landfill liability	-	(144,000)	(38,000)
Loss (gain) on disposal of tangible capital assets	-	(32,873)	14,801
	8,629,569	8,539,851	8,093,117

12. PENSION AGREEMENTS

Certain employees of the Township are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. OMERS provides pension services to over 600,000 active, inactive and retired members from over 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date.

The Actuarial Opinion contained in the 2023 Annual Report disclosed total actuarial liabilities of \$136,185 million in respect of benefits accrued for service with actuarial assets of \$131,983 million indicating an actuarial deficit of \$4,202 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Township does not recognize any share of the OMERS pension surplus or deficit.

The Township's required contributions to OMERS in 2023 were \$216,871 (2022 - \$165,159).

13. TRUST FUNDS

Trust funds administered by the Township amounting to \$41,592 (2022 - \$41,660) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. As such balances are held in trust by the Township for the benefit of others, they are not presented as part of the Township's financial position or operations.

14. COMPARATIVE FIGURES

Certain comparative figures were restated, where required, to conform with the current year presentation.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

15. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in the Township assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

The Township is exposed to the following risks in respect of certain of the financial instruments held:

(a) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The value of fixed income securities will generally rise if interest rates fall and conversely fall when rates rise.

(b) 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 reduces its exposure to credit risk by creating an allowance for bad debts when applicable. The Township monitors and assesses the collectability of accounts receivable based on past experience to derive a net realizable value.

(c) Market risk

The Township is exposed to certain market risks including changes in pricing and limited access to foreign markets.

In the opinion of management, the Township is not exposed to any significant liquidity or currency risk.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

16. ASSET RETIREMENT OBLIGATION

The Township's asset retirement obligation consists of the following:

(a) Landfill obligation

The Township owns and operates closed three landfill sites. The liability for the landfills has been recognized under PS 3280 – Asset Retirement Obligations. The costs have been estimated based upon the presently known obligations that will exist at the estimated year of closure of the sites and for 35 years after the closure date using a discount rate of 4.5% and an inflation rate of 3%.

(b) Asbestos obligation

The Township owns several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 – Asset Retirement Obligations, the Township recognized an obligation relating to the removal of the asbestos in these building as estimated at January 1, 2023.

Changes to the asset retirement obligation in the year are as follows:

Asset Retirement Obligation	Landfill obligation \$	Asbestos removal \$	Total 2023 \$
Opening balance - January 1, 2023	-	-	-
Adjustment on adoption of the asset retirement obligation standard	462,000	90,250	552,250
Remediation costs incurred	(56,000)	-	(56,000)
Accretion expense	39,000	-	39,000
Closing balance	445,000	90,250	535,250

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

17. CHANGES IN ACCOUNTING POLICIES

The Township has implemented the following sections which are now effective under the PSA Handbook: PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, PS 3450 Financial Instruments and PS 3280 Asset Retirement Obligations were adopted prospectively on January 1, 2023.

PS 3041 Portfolio Investments replaces PS 3040 Portfolio Investments. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 Financial Instruments.

PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. Financial instruments are included on the statement of financial position and are measured either at fair value or cost or amortized cost based on the characteristics of the instrument and the Township's accounting policy choices (see Note 1. Significant Accounting Policies). The new standard provides comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments.

In accordance with the provisions of PS 3041 and PS 3450, the Township reflected the following adjustments at January 1, 2024:

- A decrease of \$61,329 to investments and an increase of \$61,329 to accumulated remeasurement gains/(losses) due to the unrealized gain of the Township investments previously recorded at cost being recorded at fair value and reclassified to accumulated remeasurement gains/(losses).

PS 3280 Asset Retirement Obligations addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The new accounting standard has resulted in a withdrawal of the existing Section PS 3270 – Solid Waste Landfill Closure and Post-Closure Liability.

In accordance with the provisions of this new standard, the Township reflected the following adjustments at January 1, 2023:

Landfill Obligation

- A decrease of \$144,000 to landfill closure and post-closure liability to remove the liability recognized to December 31, 2022 under the previous standard, and an increase of \$462,000 to opening asset retirement obligation liability

Asbestos Obligation

- An increase of \$90,250 to the buildings tangible capital asset account and a corresponding increase to the opening asset retirement obligation liability.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

18. SEGMENTED INFORMATION

The Township of Douro-Dummer is a municipal government organization that provides a range of services to its residents. Township services are reported by function and their activities are separately disclosed in the segment information.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, payments-in-lieu of taxes and certain unconditional government transfers are apportioned based on each segment's net requirements.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure.

General Government

General government consists of the activities of Council and general financial and administrative management of the Township and its programs and services.

Protection Services

Protection services include police, fire, conservation authority and protective inspection and control.

Transportation Services

The activities of the transportation function include construction and maintenance of the Township's roads and bridges, winter control and street lighting.

Environmental Services

The environmental function is responsible for providing waste collection and waste disposal services to ratepayers.

Health Services

The health services function consists of the activities of the cemetery.

Recreation and Cultural Services

The recreation and cultural services function provides indoor and outdoor recreational facilities and programs and library services.

Planning and Development

The planning and development services function manages commercial, industrial and residential development within the Township.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2023

	General					Infrastructure	Assets Under Construction	Totals
	Land and land improvements	Buildings and building improvements	Machinery and Equipment	Vehicles	Computers and computer software	Roads and Bridges		
	\$	\$	\$	\$	\$	\$	\$	\$
COST								
Balance, beginning of year	2,339,264	5,346,325	4,006,162	5,659,835	266,683	33,699,895	839,963	52,158,127
Add: additions during the year	176,874	457,480	101,878	410,137	-	1,650,277	72,555	2,869,201
Less: disposals during the year	-	-	24,551	178,141	-	93,004	-	295,696
Asset retirement obligation	-	90,250	-	-	-	-	-	90,250
Balance, end of year	2,516,138	5,894,055	4,083,489	5,891,831	266,683	35,257,168	912,518	54,821,882
ACCUMULATED AMORTIZATION								
Balance, beginning of year	398,786	3,604,483	2,210,763	2,794,084	245,807	14,257,944	-	23,511,867
Add: additions during the year	35,905	135,085	223,607	317,455	10,894	1,065,124	-	1,788,070
Less: disposals during the year	-	-	24,551	178,141	-	93,004	-	295,696
Balance, end of year	434,691	3,739,568	2,409,819	2,933,398	256,701	15,230,064	-	25,004,241
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	2,081,447	2,154,487	1,673,670	2,958,433	9,982	20,027,104	912,518	29,817,641

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2023

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues								
Property taxation	696,576	1,884,484	2,741,103	222,629	1,750	721,259	122,735	6,390,536
User charges	23,564	648,618	27,658	153,378	-	420,387	32,089	1,305,694
Government transfers - operating	582,178	9,537	34,794	7,550	-	71,556	-	705,615
Government transfers - capital	-	3,634	337,061	-	-	100,120	-	440,815
Other municipalities	-	1,500	184,509	-	-	-	-	186,009
Penalty and interest on taxes	141,363	-	-	-	-	-	-	141,363
Investment income	308,248	-	-	-	-	-	-	308,248
Donations	-	200	-	-	-	282	-	482
Other	-	-	-	1,157	-	-	-	1,157
Developer contributions earned	2,249	-	120,250	-	-	-	-	122,499
Canada Community-Building Fund earned	-	-	313,897	-	-	-	-	313,897
Total revenues	1,754,178	2,547,973	3,759,272	384,714	1,750	1,313,604	154,824	9,916,315
Expenses								
Salaries and benefits	1,050,360	898,104	827,889	45,312	-	500,494	121,406	3,443,565
Materials	318,229	358,975	698,688	40,301	967	471,116	9,998	1,898,274
Contracted services	113,222	1,014,322	52,740	234,868	-	4,526	5,202	1,424,880
Rents and financial	7,652	-	-	39,000	-	-	-	46,652
External transfers	5,118	110,165	-	-	-	-	-	115,283
Amortization	83,604	207,896	1,318,907	3,956	477	172,965	265	1,788,070
Change in landfill liability	-	-	-	(144,000)	-	-	-	(144,000)
Loss (gain) on disposal of tangible capital assets	-	(15,992)	(13,170)	-	-	(3,711)	-	(32,873)
Total expenses	1,578,185	2,573,470	2,885,054	219,437	1,444	1,145,390	136,871	8,539,851
Net surplus/(deficit)	175,993	(25,497)	874,218	165,277	306	168,214	17,953	1,376,464

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE For the Year Ended December 31, 2022

	General Government \$	Protection Services \$	Transportation Services \$	Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues								
Property taxation	702,049	1,820,499	2,477,770	218,187	3,250	719,428	122,795	6,063,978
User charges	43,405	566,999	36,642	144,059	-	313,659	25,265	1,130,029
Government transfers - operating	574,708	15,750	129,283	618	-	21,500	-	741,859
Government transfers - capital	-	29,836	76,757	-	-	194,540	-	301,133
Other municipalities	-	9,250	-	-	-	-	-	9,250
Penalty and interest on taxes	126,196	-	-	-	-	-	-	126,196
Investment income	160,030	-	-	-	-	620	-	160,650
Donations	-	3,089	-	-	-	12,633	-	15,722
Other	1,300	-	-	-	-	1,297	-	2,597
Insurance proceeds	-	-	-	-	-	144,831	-	144,831
Parkland fees earned	-	-	-	-	-	64,847	-	64,847
Canada Community-Building Fund earned	-	-	126,100	-	-	-	-	126,100
Total revenues	1,607,688	2,445,423	2,846,552	362,864	3,250	1,473,355	148,060	8,887,192
Expenses								
Salaries and benefits	885,351	698,648	725,238	44,750	-	374,391	76,629	2,805,007
Materials	375,619	291,960	871,908	31,564	2,595	432,268	3,551	2,009,465
Contracted services	144,196	1,036,053	109,772	284,204	-	12,899	4,015	1,591,139
Rents and financial	7,940	-	-	-	-	-	-	7,940
External transfers	2,004	104,672	-	-	-	-	-	106,676
Amortization	81,499	182,405	1,162,545	7,312	477	161,586	265	1,596,089
Change in landfill liability	-	-	-	(38,000)	-	-	-	(38,000)
Loss (gain) on disposal of tangible capital assets	5,462	(22,891)	(11,661)	-	-	43,891	-	14,801
Total expenses	1,502,071	2,290,847	2,857,802	329,830	3,072	1,025,035	84,460	8,093,117
Net surplus/(deficit)	105,617	154,576	(11,250)	33,034	178	448,320	63,600	794,075

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Corporation of the Township of Douro-Dummer

Opinion

We have audited the financial statements of the Trust Funds of the Corporation of the Township of Douro-Dummer (the Trust Funds), which comprise the statement of financial position as at December 31, 2023, the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust Funds as at December 31, 2023, and the continuity of the Trust Funds for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust Funds 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 Trust Funds' 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 Trust Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust Funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 Trust Funds' 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 Trust Funds' 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 Trust Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
April 15, 2025

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

TRUST FUNDS STATEMENT OF FINANCIAL POSITION At December 31, 2023

	H. Sherry Scholarship \$	Ontario Home Renewal Program \$	Cemetery Perpetual Care \$	Caldwell Charity Fund \$	2023 Total \$	2022 Total \$
FINANCIAL ASSETS						
Cash	8,695	16,024	-	1,690	26,409	26,022
Loans receivable (note 2)	-	11,577	-	-	11,577	11,577
Due from Township	-	-	3,700	-	3,700	3,863
Due from Province	-	341	-	162	503	341
	8,695	27,942	3,700	1,852	42,189	41,803
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Due to Township	-	597	-	-	597	143
FUND BALANCES	8,695	27,345	3,700	1,852	41,592	41,660
	8,695	27,942	3,700	1,852	42,189	41,803

TRUST FUNDS STATEMENT OF CONTINUITY For the Year Ended December 31, 2023

	H. Sherry Scholarship \$	Ontario Home Renewal Program \$	Cemetery Perpetual Care \$	Caldwell Charity Fund \$	2023 Total \$	2022 Total \$
BALANCES - beginning of year	8,810	27,345	3,700	1,805	41,660	41,646
RECEIPTS						
Interest earned	-	454	172	47	673	422
EXPENSES						
Transfer to Township	-	454	172	-	626	368
Administration fees	115	-	-	-	115	40
	115	454	172	-	741	408
BALANCES - end of year	8,695	27,345	3,700	1,852	41,592	41,660

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

TRUST FUNDS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook.

(a) Basis of accounting

Revenue and expenses are reported on the accrual basis of accounting which recognizes revenues as they become available 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.

(b) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period and are based on the Township's best information and judgment. Actual results could differ from these estimates.

2. ONTARIO HOME RENEWAL PROGRAM LOANS

The Ontario Home Renewal Program was established by the Ontario Ministry of Housing to provide grants for municipalities to make loans to assist owner occupants to repair, rehabilitate and improve their homes to local property standards. Individual loans are limited to \$7,500 of which the maximum forgivable is \$4,000. Loan forgiveness is earned and recorded at a rate of up to \$600 per year of continued ownership and occupancy. In the event of the sale or lease of the home or in the event of the homeowner ceasing to occupy the home, the balances of the repayable loan and the unearned forgivable loan immediately become due and payable by the homeowner.

Ontario Home Renewal Program loans receivable at December 31, 2023 are comprised of repayable loans of \$11,577 (2022 - \$11,577).

The Province of Ontario cancelled the Ontario Home Renewal Program as of July 16, 1993. As of that date, no new loans are to be issued and surplus funds are to be returned to the Province annually.

3. CARE AND MAINTENANCE FUNDS

The Care and Maintenance Funds administered by the Township are funded by the sale of cemetery plots. These funds are invested and earnings derived there from are used to preform perpetual care maintenance to the cemetery. The operations and investments of the Fund are undertaken by the Township in accordance with the regulations of the Funeral, Burial and Cremation Services Act (2002).

**CORPORATION OF THE TOWNSHIP OF
DOURO-DUMMER**

DOURO-DUMMER PUBLIC LIBRARY

FINANCIAL STATEMENTS

DECEMBER 31, 2023

Draft April 7, 2025

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of the Douro-Dummer Public Library, the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Douro-Dummer

We have reviewed the accompanying financial statements of the Douro-Dummer Public Library of the Corporation of the Township of Douro-Dummer (the Board), that comprise the statement of financial position as at December 31, 2023 and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Board as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
April 15, 2025

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY STATEMENT OF FINANCIAL POSITION At December 31, 2023

	2023	2022
	\$	\$
FINANCIAL ASSETS		
Cash	66,212	42,971
Accounts receivable	438	1,291
Due from Township (note 2)	97,959	106,029
NET FINANCIAL ASSETS	164,609	150,291
NON-FINANCIAL ASSETS		
Tangible capital assets (note 4)	47,880	139,544
ACCUMULATED SURPLUS (note 5)	212,489	289,835

Draft April 7, 2025

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2023

	Budget 2023 \$ (Note 3)	Actual 2023 \$	Actual 2022 \$
REVENUES			
Municipal contributions			
Levy	145,085	145,085	130,811
Allocated costs (note 2)	-	23,933	-
Province of Ontario	14,000	25,936	14,307
User charges	1,076	1,064	338
Other grants	-	-	1,297
TOTAL REVENUES	160,161	196,018	146,753
EXPENSES			
Salaries, wages and benefits	107,231	104,171	71,622
Subscriptions and videos	2,280	2,844	931
Supplies, materials and rentals	9,419	8,110	12,288
Public relations and advertising	1,835	1,140	630
Memberships, staff training and mileage	6,990	8,148	6,747
Utilities	9,600	12,181	11,796
Property maintenance and repairs	7,106	22,520	13,162
Contracted services	1,700	1,359	1,497
Amortization	14,371	13,890	20,079
Transfer of building to Township	-	99,001	-
TOTAL EXPENSES	160,532	273,364	138,752
ANNUAL SURPLUS/(DEFICIT)	<u>(371)</u>	(77,346)	8,001
ACCUMULATED SURPLUS - beginning of year		289,835	281,834
ACCUMULATED SURPLUS - end of year		212,489	289,835

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2023

	Budget 2023 \$ (Note 3)	Actual 2023 \$	Actual 2022 \$
ANNUAL SURPLUS/(DEFICIT)	(371)	(77,346)	8,001
Amortization of tangible capital assets	14,371	13,890	20,079
Acquisition of tangible capital assets	(14,000)	(21,227)	(11,595)
Transfer of building to Township	-	99,001	-
INCREASE IN NET FINANCIAL ASSETS		14,318	16,485
NET FINANCIAL ASSETS - beginning of year	150,291	150,291	133,806
NET FINANCIAL ASSETS - end of year	150,291	164,609	150,291

Draft April 7, 2025

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY STATEMENT OF CASH FLOWS For the Year Ended December 31, 2023

	2023	2022
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus/(deficit)	(77,346)	8,001
Items not involving cash		
Amortization of tangible capital assets	13,890	20,079
Transfer of building to Township	99,001	-
Change in non-cash assets and liabilities		
Accounts receivable	853	(174)
Due from Township	8,070	(2,004)
Net change in cash from operating activities	44,468	25,902
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(21,227)	(11,595)
NET CHANGE IN CASH	23,241	14,307
CASH - beginning of year	42,971	28,664
CASH - end of year	66,212	42,971

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the standards in the Chartered Professional Accountants Canada Public Sector Accounting (PSA) Handbook. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Recognition of revenue and expenses

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the period in which the transactions of events occurred that give rise to the revenue; expenses are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

Government funding and other grants are recognized in the financial statements as revenues in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

User charges are recognized as revenue in the year the goods and services are provided.

(b) Use of estimates

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Board's best information and judgment. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. The Board's significant estimates include:

- The amounts recorded for amortization of tangible capital assets are based on estimates of useful life and residual values.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

**DOURO-DUMMER PUBLIC LIBRARY
 NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended December 31, 2023**

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(c) Financial Instruments

Financial instruments are classified as either fair value or amortized cost. The following chart shows the measurement method for each type of financial instrument.

Financial Instrument	Measurement Method
Cash	Amortized Cost
Accounts receivable	Amortized Cost
Due from Township	Amortized Cost

Fair value category: The Board manages and reports performance for groups of financial assets on a fair-value basis. Investments traded in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and Accumulated Surplus and related balances reversed from the Statement of Remeasurement Gains and Losses.

Amortized cost category: Amounts are measured at the initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate method of any difference between the initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility. The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability (or a group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument asset or financial instrument liability.

The following hierarchy provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

As there are no unrealized gains or losses on financial instruments to report, the Statement of Remeasurement Gains and Losses has not been presented in these financial statements.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Initial costs for tangible capital assets that were acquired or developed prior to 2009 were obtained using historical cost information or using current fair market values discounted by a relevant inflation factor to the point of acquisition. The cost, less residual value, if any, of tangible capital assets is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Buildings and building improvement	15 to 50 years
Equipment and books	5 to 40 years
Computers	5 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

Tangible capital assets categorized as assets under construction are not amortized until they are put into service.

(e) Deferred revenue

Deferred revenue represents grants, user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(f) Non-financial assets

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

(g) Inter-entity transactions

The Douro-Dummer Public Library is a Board of the Township of Douro-Dummer and is consolidated with the Township's financial statements.

Allocated costs and recovery of costs are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Unallocated costs are measured at the carrying amount, which is the amount recorded in the records of the Township.

(h) Reserves

Certain amounts, as approved by the Board, are set aside in reserves for future operating and capital purposes. Transfers to and/or from reserves are an adjustment to the respective fund when approved.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

2. INTER-ENTITY TRANSACTIONS

During the year, the Board entered into transactions with the Township of Douro-Dummer.

As part of the budgeting process, the Township approves a contribution to the Board which is identified on the Statement of Operations and Accumulated Surplus.

Details of the inter-entity expense transactions are as follows:

	2023	2022
	\$	\$
Allocated costs:		
Awning	9,727	-
Painting	6,054	-
Water filter system	8,152	-
	23,933	-

In addition, the Township provides accounting and administrative services to the Board at no cost.

All balances with the Township of Douro-Dummer have been identified on the Statement of Financial Position. Due from (to) balances are unsecured, without interest and have no terms of repayment.

3. BUDGET FIGURES

The operating budget, approved by the Board, for 2023 is reflected on the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. Budget figures have been reclassified for the purposes of these financial statements to comply with PSA reporting requirements. Budget figures are not subject to review.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

4. TANGIBLE CAPITAL ASSETS

The net book value of the Board's tangible capital assets are:

	Buildings and building improvements \$	Equipment and books \$	Computer \$	2023 Totals \$	2022 Totals \$
COST					
Balance, beginning of year	169,134	73,266	7,879	250,279	249,492
Add: additions during the year	-	21,227	-	21,227	11,595
Less: disposals during the year	169,134	11,112	-	180,246	10,808
Balance, end of year	-	83,381	7,879	91,260	250,279
ACCUMULATED AMORTIZATION					
Balance, beginning of year	70,133	32,723	7,879	110,735	101,464
Add: additions during the year	-	13,890	-	13,890	20,079
Less: disposals during the year	70,133	11,112	-	81,245	10,808
Balance, end of year	-	35,501	7,879	43,380	110,735
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	-	47,880	-	47,880	139,544

5. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2023 \$	2022 \$
Invested In Capital Assets		
Tangible capital assets - net book value	47,880	139,544
Surplus	47,880	139,544
Reserve		
Future capital projects	164,609	150,291
	212,489	289,835

6. COMPARATIVE FIGURES

Certain comparative figures were restated, where required, to conform with the current year presentation.

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

7. CHANGES IN ACCOUNTING POLICIES

The Board has implemented the following sections which are now effective under the PSA Handbook: PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, PS 3450 Financial Instruments and PS 3280 Asset Retirement Obligations were adopted prospectively on January 1, 2023.

PS 1201 Financial Statement Presentation replaces PS 1200 Financial Statement Presentation. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in PS 2601 Foreign Currency Translation, PS 3450 Financial Instruments, and PS 3041 Portfolio Investments, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

PS 2601 Foreign Currency Translation replaces PS 2600 Foreign Currency Translation. The standard provides comprehensive requirements for the recognition, measurement, presentation and disclosure of foreign currency transactions. The adoption of this standard did not have an impact on the Board's financial statements.

PS 3041 Portfolio Investments replaces PS 3040 Portfolio Investments. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 Financial Instruments. The adoption of this standard did not have an impact on the Board's financial statements.

PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. Financial instruments are included on the statement of financial position and are measured either at fair value or cost or amortized cost based on the characteristics of the instrument and the Board's accounting policy choices (see Note 1. Significant Accounting Policies). The new standard provides comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments. The adoption of this standard did not have an impact on the Board's financial statements.

PS 3280 Asset Retirement Obligations addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The new accounting standard has resulted in a withdrawal of the existing Section PS 3270 – Solid Waste Landfill Closure and Post-Closure Liability. The adoption of this standard did not have an impact on the Board's financial statements.

8. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in the Board assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

In the opinion of management, the Board is not exposed to any significant interest rate, market, liquidity, credit or currency risk.

April 15, 2025

Members of Council
Township of Douro-Dummer
894 South Street
P.O. Box 92
Warsaw, ON
K0L 3A0

Baker Tilly KDN LLP
272 Charlotte St.
Peterborough, ON
Canada K9J 2V4

T: (705) 742-3418
F: (705) 742-9775

www.bakertilly.ca

Re: Audit of the Consolidated Financial Statements of the Township of Douro-Dummer

Dear Members of Council:

We have been engaged to express an audit opinion on the consolidated financial statements of the Township of Douro-Dummer ("the Township") for the year ended December 31, 2023. We have substantially completed our audit and are pleased to report on the following items.

The purpose of this report is to summarize certain aspects of the audit that we believe to be of interest to Council. This report should be read in conjunction with the draft consolidated financial statements and our report thereon.

Auditor Independence

Canadian Auditing Standards ("CAS") require communications with audit committees, or other appropriate parties responsible for governance, at least annually, regarding all relationships between the Township and our Firm that, in our professional judgement, may reasonably be thought to bear on our independence.

Through our planning process, we identify any potential independence threats and communicate any concerns we identify. The Township, management and Council have a proactive role in this process, and are responsible for understanding the independence requirements applicable to the Township and its auditor. You must also bring to our attention any changes in the threshold status of the Township, any concerns you may have, or any knowledge of situations or relationships between the Township, management, personnel (acting in an oversight or financial reporting role) and our Firm, its partners/principals and audit team personnel that may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by the Chartered Professional Accountants of Ontario and applicable legislation, covering such matters as:

- (a) holding a financial interest, either directly or indirectly, in a client;
- (b) holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (c) personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) economic dependence on a client; and
- (e) provision of services in addition to the audit engagement.

ASSURANCE • TAX • ADVISORY

Baker Tilly KDN LLP is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.

In accordance with our professional requirements, we advise you that we are not aware of any relationships between the Township and our Firm that, in our professional judgement, may reasonably be thought to bear on our independence.

Accordingly, we hereby confirm that our audit engagement team, our Firm and the other Baker Tilly Canada offices are independent with respect to the Township within the meaning of the Code of Professional Conduct Rule 204 of the Chartered Professional Accountants of Ontario.

Our Responsibilities as Auditor

As stated in the engagement letter, our responsibility as auditor of your Township is to express an opinion on whether the consolidated financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Township in accordance with Canadian Public Sector Accounting Standards.

An audit is performed to obtain reasonable but not absolute assurance as to whether the financial statements are free of material misstatement. Due to the inherent limitations of an audit, there is an unavoidable risk that some misstatements of the financial statements will not be detected (particularly intentional misstatements concealed through collusion), even though the audit is properly planned and performed.

Our audit includes:

- Assessing the risk that the financial statements may contain material misstatements that, individually or in the aggregate, are material to the financial statements taken as a whole;
- Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- Assessing the accounting principles used, and their application;
- Assessing the significant estimates made by management;
- Concluding 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 Township's ability to continue as a going concern; and
- Evaluating the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

As part of our audit, we will obtain a sufficient understanding of the business and internal control structure of the Township to plan the audit. This will include management's assessment of:

- The risk that the financial statements may be materially misstated as a result of fraud and error; and
- The internal controls put in place by management to address such risks.

The engagement team undertakes a documented planning process prior to commencement of the audit to identify concerns, addresses independence considerations, assesses the engagement team requirements, and plans the audit work and timing.

An audit does not relieve management or those responsible for governance of their responsibilities for the preparation of the Township's financial statements.

The firm maintains a system of quality management that supports the consistent performance of quality audit engagements.

Council's Responsibilities

Council's role is to act in an objective, independent capacity as a liaison between the auditor and management to ensure the auditor has a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

Council's responsibilities include:

- Being available to assist and provide direction in the audit planning process when and where appropriate;
- Meeting with the auditor as necessary and prior to release and approval of financial statements to review audit, disclosure and compliance issues;
- Where necessary, reviewing matters raised by the auditor with appropriate levels of management, and reporting back to the auditor their findings;
- Making known to the auditor any issues of disclosure, corporate governance, fraud or illegal acts, non-compliance with laws or regulatory requirements that are known to them, where such matters may impact the financial statements or Independent Auditor's Report;
- Providing guidance and direction to the auditor on any additional work the auditor feels should be undertaken in response to issues raised or concerns expressed;
- Making such enquiries as appropriate into the findings of the auditor with respect to corporate governance, management conduct, cooperation, information flow and systems of internal controls; and
- Reviewing the draft financial statements prepared by management, including the presentation, disclosures and supporting notes and schedules, for accuracy, completeness and appropriateness, and approve the draft financial statements.

At the end of our audit, we are required to evaluate, as part of our audit, whether the two-way communication between us and Council has been adequate for the purpose of the audit.

Audit Approach

Outlined below are certain aspects of our audit approach which are intended to help you in discharging your oversight responsibilities. Our general approach to the audit of the Township of Douro-Dummer is to assess the risks of material misstatement in the financial statements and then respond by designing audit procedures.

Independent Auditor's Report

We anticipate that our Independent Auditor's Report will be issued without modification.

Our Independent Auditor's Report will be dated no earlier than the date on which we have obtained sufficient appropriate audit evidence on which to base our audit opinion on the consolidated financial statements, including evidence that all the statements and disclosures that comprise the consolidated financial statements have been prepared and Council has approved the consolidated financial statements.

Illegal Acts, Fraud, Intentional Misstatements and Errors

Our auditing procedures, including tests of your accounting records, were limited to those considered necessary in the circumstances and will not necessarily disclose all illegal acts should any exist. Under CAS, we consider the Township's control environment, governance structure, circumstances encountered during the audit and the potential likelihood of fraud and illegal acts occurring.

These procedures are not designed to test for fraudulent or illegal acts, nor will they necessarily detect such acts or recognize them as such, even if the effect on the consolidated financial statements is material. However, should we become aware that an illegal or possibly illegal act or act of fraud may have occurred, other than one considered clearly inconsequential, we will communicate directly to Council.

It is our responsibility to maintain professional skepticism throughout the audit. This recognizes the possibility that a material misstatement due to fraud could exist, notwithstanding our past experience of the honesty and integrity of the Township's management and Council.

It is management's responsibility to detect and prevent illegal action. If such acts are discovered or Council members become aware of circumstances under which the Township may have been involved in fraudulent, illegal or regulatory non-compliance situations, such circumstances must be disclosed to us.

Testing during our audit did not reveal any illegal, improper or questionable payments or acts, nor any acts committed with the intent to deceive, involving either misappropriation of assets or misrepresentation of assets or misrepresentation of financial information.

Related Party Transactions

During our audit, we conduct various tests and procedures to identify transactions considered to involve related parties. Related parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Related parties also include management, members of Council and their immediate family members and companies with which these individual have an economic interest.

There were no related party transactions identified during the audit that required disclosure in the notes to the consolidated financial statements.

Significant Accounting Principles and Policies

Management is responsible for the appropriate selection and application of accounting policies. Our role is to review the appropriateness and application as part of our audit. The significant accounting principles and policies are disclosed in the notes to the consolidated financial statements.

The accounting policies adopted may be acceptable policies under Canadian Public Sector Accounting Standards; however, alternative policies may also be acceptable under Canadian Public Sector Accounting Standards. The Township and the Council have a responsibility to not adopt extreme or inappropriate interpretations of Canadian Public Sector Accounting Standards that may have inappropriate or misleading results. Alternative policies, if adopted, may produce significant changes in the reported results of the operations, financial position and disclosures of the Township.

Council has a responsibility to review the accounting policies adopted by the Township, and where alternative policies are available, make determinations as to the most appropriate policies to be adopted in the circumstances. If members of Council believe that the adoption or change in accounting policy may produce an inappropriate or misleading result in financial reporting or disclosure, this concern must be discussed with management and us.

As described in the notes to the consolidated financial statements, the Township has adopted the following:

PSA sections which are now effective under the PSA Handbook: 1201 Financial Statement Presentation, 2601 Foreign Currency Translation, 3041 Portfolio Investments, 3450 Financial Instruments and 3280 Asset Retirement Obligations.

The impact of the adoption of these standards on the Township's consolidated financial statements is disclosed in notes to the financial statements.

Accounting Estimates

Management is responsible for the accounting estimates included in the consolidated financial statements. Estimates and the related judgements and assumptions are based on management's knowledge of the business and past experience about current and future events.

Our responsibility as auditor is to obtain sufficient appropriate evidence to provide reasonable assurance that management's accounting estimates are reasonable within the context of the consolidated financial statements as a whole. An audit includes performing appropriate procedures to verify the:

- Calculation of accounting estimates;
- Analyzing of key factors such as underlying management assumptions;
- Materiality of estimates individually and in the aggregate in relation to the financial statements as a whole;
- Estimate's sensitivity to variation and deviation from historical patterns;
- Estimate's consistency with the entity's business plans; and
- Other audit evidence.

Risk-based

Our risk-based approach focuses on obtaining sufficient appropriate audit evidence to reduce the risk of material misstatement in the financial statements to an appropriately low level. This means that we focus our audit work on higher risk areas that have a higher risk of being materially misstated.

Materiality

Materiality is used throughout the audit and in particular when:

- a) Identifying and assessing risk of material misstatement;
- b) Determining the nature, timing and extent of further audit procedures; and
- c) Evaluating the effect of uncorrected misstatements, if any, on the financial statements and in forming an opinion on the auditor's report.

Materiality is defined as:

Materiality is the term used to describe the significance of financial statement information to decision makers. An item of information, or an aggregate of items, is material if it is probable that its omission or misstatement would influence or change a decision. Materiality is a matter of professional judgement in the particular circumstances.

We used an overall materiality of \$225,000 and a performance materiality of \$165,000. The overall materiality for last year's audit was \$215,000 and the performance materiality was \$160,000.

Audit Procedures

The objective of the tests of controls is to evaluate whether certain controls operated effectively. The objective of the tests of details is to detect material misstatements in the account balances and transaction streams. Substantive analytical procedures are used to identify differences between recorded amounts and predictable expectations in larger volumes of transactions over time.

In response to our risk assessment and based on our understanding of internal controls, we adopted a substantive approach for the audit.

Evaluation of Internal Controls

Audits include a review and evaluation of the system of internal controls to assist in determining the level of reliance that may or should be placed on the system in assessing the nature and extent of audit procedures to be undertaken.

There are no internal control matters that we wish to bring to your attention.

Significant Matters Discussed With Management

There were no significant matters arising from the audit discussed with management.

Written Representations Requested From Management

As part of our audit, we request that management prepare a letter to us to re-affirm various representations that they have provided to us and we have relied upon. A copy of this letter is attached for your convenience.

Significant Misstatements

In the course of our audit, we have not found any material misstatements or unadjusted items that, in aggregate, exceed materiality thresholds established for the audit, nor have we found significant misstatements that would likely cause future financial statements to be materially misstated.

Uncorrected Misstatements

In the course of our audit, we have aggregated uncorrected financial statement misstatements which are summarized in the accompanying schedule. Management has deemed the effects of these misstatements to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. To date, management has not agreed to correct these misstatements. Under CAS, we are required to request that Council approve the correction of these misstatements or that Council approve the decision of management.

Significant Unusual Transactions

We are not aware of any significant transactions entered into by the Township that you should be informed about.

Disagreements with Management

We are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significant to the Township's financial statements or auditor's report. Disagreements may arise over:

- Selection or application of accounting principles;
- Assumptions and related judgements for accounting estimates;
- Financial statement disclosures;
- Scope of the audit: or
- Wording of the auditor's report.

In the course of our audit, we did not have any significant disagreements with management, nor were we under any significant time pressures or poor working conditions. We are not aware of any cause for concern as to management's attitude, competence or credibility with respect to matters affecting the financial statements.

Difficulties Encountered During the Audit

Difficulties encountered while performing the audit, include:

- Delay of 2023 audit was due to the delayed 2022 audit and the adoption of the new asset retirement obligation accounting policy.

Management Letter

During our audit, we did not note any significant issues on internal controls to report to management.

New Accounting Pronouncements Not Yet Effective

We wish to bring to your attention the following accounting pronouncements that have been issued but are not yet effective that may affect your financial reporting in future periods:

- PS 3400 - Revenue recognition applies to fiscal years beginning on or after April 1, 2023.

We will be working with management to determine the impacts of these changes to your financial statements.

Conclusion

We wish to express our appreciation for the co-operation we received during the audit from the Township's management.

Should any member of Council wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact us at any time.

Yours truly,

Baker Tilly & DN LLP

per: Joanna Park, CPA, CA
Partner

Schedule of Uncorrected Misstatements

Description of Misstatement	Proposed Adjustments Dr (Cr)				
	Statement of Income		Balance Sheet		
	Identified Misstatements	Likely Aggregate Misstatements	Assets	Liabilities	Opening Equity
Salary accrual understated	43,058	43,058	-	(43,058)	-
CCBF revenue understated due to amendment to 2022 reporting	(14,149)	(14,149)	-	14,149	-
2023 OCIF funding overstated due to amendment to 2022 reporting	25,774	25,774	-	-	(25,774)
Investments understated	(26,926)	(29,926)	29,926	-	-
Accounts payable subledger not balanced to general ledger balance	32,373	32,373	-	(32,373)	-
a) Totals		57,130	29,926	(61,282)	(25,774)
b) Misstatements corrected by management		-	-	-	-
c) Likely aggregate misstatements net of corrections (a - b)		57,130	29,926	(61,282)	(25,774)
d) Effect of unadjusted misstatements from previous year's errors		(61,106)	-	-	61,106
e) Aggregate likely misstatements (c + d)		(3,976)	29,926	(61,282)	35,332
f) Final overall materiality		225,000	225,000	225,000	225,000
g) Amount remaining for further possible misstatement (f - e)		221,024	195,074	163,718	189,668

Township of Douro-Dummer
894 South Street
P.O. Box 92
Warsaw, ON
K0L 3A0

April 15, 2025

Baker Tilly KDN LLP
272 Charlotte St.
Peterborough, Ontario
K9J 2V4
Canada

Attention: Joanna Park, CPA, CA

Dear Madam:

This representation letter is provided in connection with your audit of the consolidated financial statements of the Township of Douro-Dummer (the "Township") for the year ended December 31, 2023 for the purpose of expressing an opinion as to whether the consolidated financial statements are presented fairly, in all material respects, in accordance with Canadian Public Sector Accounting Standards.

We confirm that:

Financial statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 29, 2025 for the preparation of the consolidated financial statements in accordance with Canadian Public Sector Accounting Standards; in particular, the consolidated financial statements are fairly presented in accordance therewith.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
3. We have assessed that the Township is able to continue as a going concern and the consolidated financial statements have been prepared on a going concern basis.
4. The methods, the data, and the significant assumptions used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
5. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian Public Sector Accounting Standards.
6. There have been no events subsequent to the date of the consolidated financial statements up to the date hereof that would require recognition or disclosure in the consolidated financial statements. Furthermore, there have been no events subsequent to the date of the comparative financial statements that would require adjustment of those consolidated financial statements and the related notes.
7. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.

8. The accounting policies selected and the application thereof is appropriate, including those for complex areas of accounting and areas involving management's judgement and estimates, for example, revenue recognition, fair value measurements, transfers of receivables, hedging relationships and consolidation of variable interest entities.
9. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the consolidated financial statements.
10. We are aware of the environmental laws and regulations that impact on our Township and we are in compliance. There are no known environmental liabilities, including liabilities under sections PS3260 - Liability for Contaminated Sites and PS3280 - Asset Retirement Obligations that have not been accrued for or disclosed in the consolidated financial statements.
11. The nature of all material measurement uncertainties has been appropriately disclosed in the consolidated financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the consolidated financial statements.
12. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
13. There are no derivative or off-balance sheet financial instruments held at year end.
14. We have made the appropriate determination, accounting and disclosure in the consolidated financial statements of the costs, assets and obligations associated with employee future benefits.
15. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the consolidated financial statements.
16. The Township has satisfactory title to all assets, and there are no liens or encumbrances on the Township's assets.

Information provided

17. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the consolidated financial statements such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the Township from whom you determined it necessary to obtain audit evidence.
18. All transactions have been recorded in the accounting records and are reflected in the consolidated financial statements.
19. We have disclosed to you the results of our assessment of the risk that the consolidated financial statements may be materially misstated as a result of fraud.
20. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Township and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.

21. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Township's financial statements communicated by employees, former employees, analysts, regulators or others.
22. We have disclosed to you, and the Township has complied with, all aspects of contractual agreements that could have a material effect on the consolidated financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debts.
23. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
24. We have disclosed to you the identity of the Township's related parties and all the related-party relationships and transactions of which we are aware.
25. The minute books of the Township are a complete record of all meetings and resolutions of the Township throughout the year and to the present date.

Journal entry approval

26. We approve of and acknowledge responsibility for the journal entries summarized in the accompanying schedule.

Yours very truly,

Paul Creamer
Interim Treasurer

Township of Douro-Dummer
Year End: December 31, 2023
Baker Tilly proposed Journal Entries
for Management approval
Date: 1/01/23 To 12/31/23

E45. 1

Number	Date	Name	Reference	Account No	Debit	Credit	
BT01	12/31/23	OP-GG-GV-Materials		00-02-0240-4600		10.00	
BT01	12/31/23	OP-GG-CM-Transfer from Reserve OP		00-02-0250-9970	85,805.00		
BT01	12/31/23	BS-CP-CP-Proceeds		05-00-0000-0029		3,107.13	
BT01	12/31/23	BS-CP-CP-Reserve-Capital		05-00-0000-0915		67,872.00	
BT01	12/31/23	BS-CP-CP-Surplus		05-00-0000-0999		108,254.32	
BT01	12/31/23	BS-PS-BE-Transfer to Reserves		05-04-0440-0950		95,449.58	
BT01	12/31/23	BS-PS-BE-Transfer from Reserve		05-04-0440-0970	188,888.03		
BT01	12/31/23	BS-TS-RD-WIP Roads		05-06-0600-0401			
		To adjust for opening numbers variances					
BT02	12/31/23	OP-TX-MU-Provincial PIL		00-01-0100-9776		7,171.12	
BT02	12/31/23	BS-TX-MU-Provincial PIL		05-01-0100-9776	7,171.12		
		To record 2022 PILs received in 2023 as revenue					
BT03	12/31/23	OP-GG-CM-Int Trans of Overhead Costs	H89.10	00-02-0250-7301		27,136.31	
BT03	12/31/23	OP-PS-BE-Int Trans of Overhead Costs	H89.10	00-04-0440-7301	27,136.31		
BT03	12/31/23	OP-TS-RD-Consultant Fees	H89.10	00-06-0600-3832		6,791.09	
BT03	12/31/23	OP-ES-ES - WD-Consultant Fees	H89.10	00-08-0801-3832	1,059.78		
BT03	12/31/23	OP-ES-ES - WD-Consultant Fees	H89.10	00-08-0801-3832	1,628.16		
BT03	12/31/23	OP-ES-ES - WH-Consultant Fees	H89.10	00-08-0802-3832	4,103.15		
		Entry requested by Paul: To record building overhead transfer and to move waste monitoring out of roads.					
BT04	12/31/23	BS-TX-CO-AP County		05-01-0110-0525		22,865.06	
BT04	12/31/23	BS-TX-CO-Taxes Paid		05-01-0110-0799	22,865.06		
BT04	12/31/23	BS-TX-EP-Accounts Payable		05-01-0130-0500	19,288.27		
BT04	12/31/23	BS-TX-EP-Taxes Paid		05-01-0130-0799		19,288.27	
BT04	12/31/23	BS-TX-ES-Accounts Payable		05-01-0135-0500	1,940.08		
BT04	12/31/23	BS-TX-ES-Taxes Paid		05-01-0135-0799		1,940.08	
BT04	12/31/23	BS-TX-FP-Accounts Payable		05-01-0140-0500	29.17		
BT04	12/31/23	BS-TX-FP-Taxes Paid		05-01-0140-0799		29.17	
BT04	12/31/23	BS-TX-FS-Accounts Payable		05-01-0145-0500	23.02		
BT04	12/31/23	BS-TX-FS-Taxes Paid		05-01-0145-0799		23.02	
		To adjust amounts owing to county and school boards					
BT05	12/31/23	OP-RC-LB-Grants-Provincial		00-16-1640-8020		8,934.00	
BT05	12/31/23	OP-RC-LB-Grants-Provincial		00-16-1640-8020		14,307.00	
BT05	12/31/23	BS-RC-LB-Accounts Receivable		05-16-1640-0030	23,241.00		
		To record Library provincial					

Township of Douro-Dummer
Year End: December 31, 2023
Baker Tilly proposed Journal Entries
for Management approval
Date: 1/01/23 To 12/31/23

E45. 1-1

Number	Date	Name	Reference	Account No	Debit	Credit
		grants received in June and December.				
BT06	12/31/23	OP-GG-CM-Investment Interest External		00-02-0250-8711	14,148.59	
BT06	12/31/23	OP-PS-FR-Other Revenues		00-04-0410-8880		38.40
BT06	12/31/23	BS-CP-CP-Reserve-Capital		05-00-0000-0915		14,148.59
BT06	12/31/23	BS-PS-FR-Fire Hall #5 Construction Rese		05-04-0410-0924	38.40	
		To balance reserves/transfers				
BT07	12/31/23	BS-RC-LB-Reserve Captial Project/Equipm		05-16-1640-0900		14,318.38
BT07	12/31/23	BS-RC-LB-Transfer to Reserves		05-16-1640-0950	14,318.38	
		To transfer library surplus to reserve				
BT08	12/31/23	OP-GG-EL-Transfer to Reserve OP		00-02-0241-9975	41,494.30	
BT08	12/31/23	BS-CP-CP-Reserve Captial Project/Equipm		05-00-0000-0900		41,494.30
		To record surplus transfer				
					453,177.82	453,177.82

Net Income (Loss) 0.00