

RJN 2019-219

**Corporation of the Township of
Plummer Additional
Consolidated Financial Statements
For the year ended December 31, 2018**

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Consolidated Financial Statements**
For the year ended December 31, 2018

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**Corporation of the Township of Plummer Additional
Management's Responsibility for Financial Reporting**

December 31, 2018

The accompanying consolidated financial statements of the Corporation of the Township of Plummer Additional are the responsibility of management and have been approved by the Mayor and Treasurer on behalf of Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated 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 consolidated financial statements are presented fairly, in all material respects.

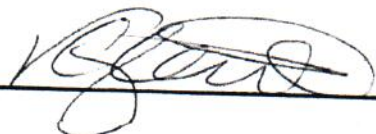
The municipality maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the municipality's assets are appropriately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

The municipal Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers and inhabitants of the municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the municipality's consolidated financial statements.



Mayor



Treasurer



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Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of
Corporation of the Township of Plummer Additional

Opinion

We have audited the consolidated financial statements of Corporation of the Township of Plummer Additional (the Township), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the 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, 2018, and its consolidated results of operations, its consolidated change in net financial assets, 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 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 these 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.

Independent Auditor's Report continued

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

- Identify and assess the risks of material misstatement of the 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants


Sault Ste. Marie, Ontario
June 19, 2019

**Corporation of the Township of Plummer Additional
Consolidated Statement of Financial Position**

December 31	2018	2017
Financial assets		
Cash and short term investments	\$ 1,067,985	\$ 751,770
Taxes receivable (Note 2)	210,665	241,889
Accounts receivable	176,860	274,102
	1,455,510	1,267,761
Liabilities		
Accounts payable and accrued liabilities	139,454	105,905
Deferred revenue	38,229	2,905
Obligatory reserve fund	11,724	11,681
Accrued landfill closure and post-closure costs (Note 3)	82,987	77,867
	272,394	198,358
Net financial assets	1,183,116	1,069,403
Non-financial assets		
Tangible capital assets (Schedule 1)	3,217,284	3,267,604
Prepaid expenses and inventory of supplies	81,714	72,118
	3,298,998	3,339,722
Accumulated surplus (Note 4)	\$ 4,482,114	\$ 4,409,125

On behalf of the Council:

 _____ Mayor

 _____ Treasurer

**Corporation of the Township of Plummer Additional
Consolidated Statement of Operations**

For the year ended December 31	Budget	2018	2017
Revenue			
Taxation (Note 5)	\$ 1,294,071	\$ 1,293,321	\$ 1,277,110
Government grants - provincial	633,447	603,256	604,667
Government grants - federal	143,086	148,029	316,109
Government grants - municipal	4,796	4,797	4,797
User fees and service charges	78,221	92,615	72,566
Interest and penalties on taxes	35,000	38,074	41,569
Investment income and other	431	1,819	1,976
Gain (loss) on disposal of assets	1,000	-	21,258
	<u>2,190,052</u>	<u>2,181,911</u>	<u>2,340,052</u>
Expenses			
General government	396,421	374,564	371,634
Protection services	213,031	206,257	212,912
Transportation services	877,178	955,273	881,787
Environmental services	111,055	97,318	144,795
Health services	214,257	208,400	185,885
Social and family services	169,736	169,736	182,160
Recreation and cultural services	87,894	83,711	99,029
Planning and development	18,260	13,663	4,704
	<u>2,087,832</u>	<u>2,108,922</u>	<u>2,082,906</u>
Annual surplus	102,220	72,989	257,146
Accumulated surplus, beginning of year	4,569,358	4,409,125	4,151,979
Accumulated surplus, end of year	<u>\$ 4,671,578</u>	<u>\$ 4,482,114</u>	<u>\$ 4,409,125</u>

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

**Corporation of the Township of Plummer Additional
Consolidated Statement of Change in Net Financial Assets**

<u>For the year ended December 31</u>	<u>Budget</u>	<u>2018</u>	<u>2017</u>
Annual surplus	\$ 102,220	\$ 72,989	\$ 257,146
Acquisition of tangible capital assets	(539,147)	(281,258)	(716,330)
Amortization of tangible capital assets	286,400	331,578	330,036
Prepaid expenses and inventory of supplies	-	(9,596)	(3,427)
Net change in net financial assets (debt)	(150,527)	113,713	(132,575)
Net financial assets, beginning of year	1,069,403	1,069,403	1,201,978
Net financial assets, end of year	\$ 918,876	\$ 1,183,116	\$ 1,069,403

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

**Corporation of the Township of Plummer Additional
Consolidated Statement of Cash Flows**

For the year ended December 31

2018

2017

Operating transactions		
Annual surplus	\$ 72,989	\$ 257,146
Item not involving cash		
Amortization	331,578	330,036
	<hr/>	<hr/>
	404,567	587,182
Changes in non-cash operating balances		
Taxes receivable	31,224	87,663
Accounts receivable	97,242	58,412
Prepaid expenses and inventories of supplies	(9,596)	(3,427)
Accounts payable and accrued liabilities	33,549	(32,440)
Deferred revenue	35,324	2,905
Obligatory reserve fund	43	44
Liability for future closure and post-closure landfill care costs	5,120	52,236
	<hr/>	<hr/>
	597,473	752,575
Capital transactions		
Acquisition of tangible capital assets	(281,258)	(716,330)
	<hr/>	<hr/>
Net change in cash and cash equivalents	316,215	36,245
Cash and cash equivalents, beginning of year	751,770	715,525
	<hr/>	<hr/>
Cash and equivalents, end of year	\$ 1,067,985	\$ 751,770

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

Corporation of the Township of Plummer Additional Consolidated Notes to Financial Statements

December 31, 2018

1. Significant accounting policies

The consolidated financial statements of the municipality have been prepared in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Basis of Consolidation These consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures of all municipal organizations, committees and boards which are owned or controlled by the municipality, including the Plummer Additional Cemetery Board.

In addition, the following joint local boards/committees have been proportionately consolidated at the indicated percentages:

Bruce Mines and Plummer Additional Recreation Committee - 50%
Central Algoma Health Centre - 50%

Bruce Mines and Plummer Additional Union Public Library - 50%
Tri-Neighbours Board of Management - 22%

The Bruce Mines and Plummer Additional Recreation Committee ceased operations in 2017 and accordingly, is included only in the comparative figures.

All interfund assets and liabilities and sources of financing and expenditures have been eliminated.

Revenue Recognition Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

Sales of service and other revenue is recognized on an accrual basis.

Deferred revenue Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.

Government Transfers Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Cash and Cash Equivalents Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

Corporation of the Township of Plummer Additional Consolidated Notes to Financial Statements

December 31, 2018

1. Significant accounting policies (continued)

Tangible Capital Assets Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land improvements	10 years
Buildings	10 to 50 years
Machinery and equipment	5 to 20 years
Vehicles	8 to 10 years
Furnishings and fixtures	5 to 40 years
Infrastructure	7 to 50 years

The Municipality holds various works of art and historical treasures. These items are not recognized as tangible capital assets in the financial statements because a reasonable estimate of the future benefits association with such property cannot be made.

Retirement Benefits and Other Employee Benefit Plans The municipality provides pension benefits to specified employees through the Ontario Municipal Employees Retirement Fund OMERS, a multi-employer plan. The municipality's contributions due during the period are expensed as incurred. The municipality provides other post-employment benefits. These costs accumulate over the period of service provided by employees and are determined using management's best estimates.

Collection of Taxes on Behalf of Other Taxation Authorities The municipality collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these other entities are not reflected in these consolidated financial statements.

Trust Funds Funds held in trust by the municipality and their related operations are not included in these consolidated financial statements. The financial activity and financial position of the trust funds are reported separately.

2. Taxes receivable

	2018	2017
Current year levies	\$ 137,695	\$ 151,302
Previous years levies	85,995	100,787
Penalties and interest	21,975	24,800
Allowance for doubtful collection	(35,000)	(35,000)
	\$ 210,665	\$ 241,889

Corporation of the Township of Plummer Additional Consolidated Notes to Financial Statements

December 31, 2018

3. Solid waste closure and post-closure liabilities

The Township, together with the Towns of Thessalon and Bruce Mines organized the Tri-Neighbours Board of Management to study, establish and operate a landfill site.

Landfill closure and post-closure requirements include final covering and landscaping of the landfill, storm water management, purchase of buffer lands, monitoring wells, fees, ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a fifty year period using the best information currently available to management. Future events may result in significant changes to total estimated expenditures, capacity used or total capacity and estimated liability. Any such changes would be applied prospectively as a change in estimate, when applicable.

Based on an up-to-date engineering study, the landfill site is now expected to reach capacity in 2049 after which the period for post-closure care costs is estimated to be 25 years. The estimated liability for landfill closure and post-closure costs is recognized as the landfill site's capacity is used and the reported liability reflects a discount rate of 3.51%.

The mandate of the existing Tri-Neighbours Board of Management to operate and close the site ceases upon closure, projected to be in 2049. The Township's estimated 22% share of total net present value of expenditures to close and maintain (monitor) the landfill site is approximately \$82,987 (2017 - \$77,867) as at December 31, 2018, based on the 41% (2017 - 39%) cumulative capacity used at that date.

4. Accumulated surplus

Allocation of annual surplus

	2018	2017
Equity in tangible capital assets	\$ (50,320)	\$ 386,294
Reserves and reserve funds	131,932	(54,861)
General surplus (deficit)	(3,503)	(6,879)
Unfunded landfill liabilities	(5,120)	(67,408)
	\$ 72,989	\$ 257,146

Accumulated surplus, end of year

	2018	2017
Equity in tangible capital assets	\$ 3,217,284	\$ 3,267,604
Reserves and reserve funds	1,306,004	1,174,072
General surplus/deficit	41,813	45,316
Unfunded landfill liabilities	(82,987)	(77,867)
	\$ 4,482,114	\$ 4,409,125

**Corporation of the Township of Plummer Additional
Consolidated Notes to Financial Statements**

December 31, 2018

5. Taxation

	2018	2017
Residential and farmland	\$ 1,357,286	\$ 1,351,664
Commercial and industrial	102,011	76,495
Taxation from other governments	13,589	13,589
	1,472,886	1,441,748
Deduct: amounts received or receivable for school boards	(179,565)	(164,638)
	\$ 1,293,321	\$ 1,277,110

Property tax billings are prepared by the municipality based on an assessment roll prepared by the Municipal Property Assessment Corporation ("MPAC"), an agency of the Ontario government. All assessed property values in the municipality were reviewed and values established based on a common valuation date which was used by the municipality in computing the property tax billings. However, property tax revenue and taxes receivable of the municipality are subject to measurement uncertainty as ratepayers may appeal the values assessed.

6. Employee benefits plans

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

The municipality's contributions to OMERS equal those made by the employees. During the year, the municipality contributed \$29,815 (2017 - \$28,739) to the plan. As this is a multi-employer pension plan, these contributions are the municipality's pension benefit expense. Contribution amounts are determined by OMERS which adjusts rates to reflect actuarial requirements. Any surplus or deficit of the pension plan is not included in the municipality's financial statements.

7. Funds held in trust

Funds held in trust by the municipality for cemetery care and maintenance amounting to \$87,743 (2017 - \$84,813) are not included in these financial statements but are reported upon separately.

8. Public Sector Salary Disclosure Act

For 2018, no employees were paid salaries, as defined in the Public Sector Salary Disclosure Act, 1996 of \$100,000 or more.

9 Subsequent event

In 2019, the Municipality purchased a single axle truck for approximately \$260,000, one half of which was financed by a two year bank loan.

Corporation of the Township of Plummer Additional Consolidated Notes to Financial Statements

December 31, 2018

10. Segmented information

The municipality is a diversified local government institution that provides a wide range of services to its citizens. For management reporting purposes, municipal operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

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

General government

The administration department oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of council.

Protection

Protection is comprised of the police, fire/emergency, by-law enforcement and building inspections departments. The mandate of the police department is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The fire/emergency department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. The by-law enforcement and building inspection department ensures properties are in compliance with applicable legislation, by-laws, building standards and construction codes.

Transportation

The transportation department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, winter control and street lighting.

Environmental

The environmental department consists mainly of the solid waste disposal utility. The department provides garbage collection and waste minimization programs and facilities for solid waste disposal.

Health

Through the Algoma Health Unit, the municipality contributes to public health services and education and through the Algoma District Services Administration Board, to ambulance services. In addition, this department oversees the care and maintenance of municipal cemeteries.

Social and family

Through the Algoma District Services Administration Board, the municipality contributes to social assistance payments, child care services and social housing.

Recreation and cultural

The recreation and cultural department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as parks, arena, fitness and sports programs. It provides public services that contribute to healthy communities through partnerships, promotion, prevention, protection and enforcement. The department also contributes towards the information needs of the municipality's citizens through the provision of library services.

Corporation of the Township of Plummer Additional Consolidated Notes to Financial Statements

December 31, 2018

10. Segmented information (continued)

Planning

The planning department provides a diverse bundle of services. It manages development for business interests, environmental concerns, heritage matters and neighbourhoods through planning and community development activities. It facilitates economic development by providing services for the approval of all land development plans.

For each reported segment, revenues and expenses include both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies. For additional information see Schedule 2 - Consolidated Schedule of Segment Disclosure.

11. Budget

The Financial Plan (Budget) By-Law adopted by Council on July 25, 2018 was prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards); however, some local boards/committees continued to prepare their budgets on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. Their budget figures anticipated use of reserves and/or surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues. In addition, their budgets expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Financial Plan adopted by Council on July 25, 2018 with adjustments as follows:

Financial plan (budget) surplus (deficit) for the year	\$ (9,946)
Add:	
Capital expenditures	539,147
Less:	
Net inter-fund transfers from reserves	(24,581)
Amortization	(286,400)
Bank loan transactions	(116,000)
	<hr/>
Budget surplus per statement of operations	\$ 102,220

**Corporation of the Township of Plummer Additional
Schedule 1 - Consolidated Tangible Capital Assets**

For the year ended December 31, 2018

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 7,415	\$ 13,593	\$ 396,444	\$ 686,548	\$ 310,869	\$ 9,371,840	\$ 382,216	\$ 11,168,925
Additions	-	-	25,537	18,529	33,896	581,994	(378,698)	281,258
Disposals	-	-	-	-	-	(244,006)	-	(244,006)
Cost, end of year	7,415	13,593	421,981	705,077	344,765	9,709,828	3,518	11,206,177
Accumulated amortization, beginning of year	-	10,193	260,920	563,148	34,598	7,032,462	-	7,901,321
Amortization	-	970	11,405	23,332	32,781	263,090	-	331,578
Disposals	-	-	-	-	-	(244,006)	-	(244,006)
Accumulated amortization, end of year	-	11,163	272,325	586,480	67,379	7,051,546	-	7,988,893
Net carrying amount, end of year	\$ 7,415	\$ 2,430	\$ 149,656	\$ 118,597	\$ 277,386	\$ 2,658,282	\$ 3,518	\$ 3,217,284

**Corporation of the Township of Plummer Additional
Schedule 1 - Consolidated Tangible Capital Assets (Continued)**

For the year ended December 31, 2017 (comparative figures)

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 7,415	\$ 13,593	\$ 369,768	\$ 684,908	\$ 186,874	\$ 9,377,641	\$ 3,518	\$ 10,643,717
Additions	-	-	26,676	1,640	267,699	41,617	378,698	716,330
Disposals	-	-	-	-	(143,704)	(47,418)	-	(191,122)
Cost, end of year	7,415	13,593	396,444	686,548	310,869	9,371,840	382,216	11,168,925
Accumulated amortization, beginning of year	-	9,220	251,381	539,642	171,754	6,790,410	-	7,762,407
Amortization	-	973	9,539	23,506	6,548	289,470	-	330,036
Disposals	-	-	-	-	(143,704)	(47,418)	-	(191,122)
Accumulated amortization, end of year	-	10,193	260,920	563,148	34,598	7,032,462	-	7,901,321
Net carrying amount, end of year	\$ 7,415	\$ 3,400	\$ 135,524	\$ 123,400	\$ 276,271	\$ 2,339,378	\$ 382,216	\$ 3,267,604

**Corporation of the Township of Plummer Additional
Schedule 2 - Consolidated Segment Disclosure**

For the year ended December 31, 2018

Revenue	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
Taxation	\$ 240,593	\$ 138,178	\$ 500,978	\$ 71,995	\$ 135,646	\$ 119,777	\$ 77,277	\$ 8,877	\$ 1,293,321
Ontario grants	100,213	57,554	267,746	29,988	56,500	49,890	37,668	3,697	603,256
Canada grants	2,093	-	128,026	-	-	-	17,910	-	148,029
Other municipalities	-	3,594	-	-	-	-	1,203	-	4,797
User fees and service charges	4,794	14,655	3,843	13,395	17,581	-	24,600	13,747	92,615
Interest and penalties on taxes	38,074	-	-	-	-	-	-	-	38,074
Investment income and other	1,819	-	-	-	-	-	-	-	1,819
	387,586	213,981	900,593	115,378	209,727	169,667	158,658	26,321	2,181,911
Expenses									
Salaries and benefits	256,543	140	265,573	3,646	9,771	-	30,073	-	565,746
Materials and supplies	39,680	827	271,884	980	6,665	-	24,835	-	344,871
Contracted services	57,016	205,290	82,599	92,692	15,266	-	13,126	13,663	479,652
Rents and financial	19,225	-	19,871	-	4,402	-	5,434	-	48,932
External transfers	-	-	-	-	168,407	169,736	-	-	338,143
Amortization	2,100	-	315,346	-	3,889	-	10,243	-	331,578
	374,564	206,257	955,273	97,318	208,400	169,736	83,711	13,663	2,108,922
Excess (deficiency) of revenues over expenses	\$ 13,022	\$ 7,724	\$ (54,680)	\$ 18,060	\$ 1,327	\$ (69)	\$ 74,947	\$ 12,658	\$ 72,989

**Corporation of the Township of Plummer Additional
Schedule 2 - Consolidated Segment Disclosure (Continued)**

For the year ended December 31, 2017 (comparative figures)

Revenue	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
Taxation	\$ 224,616	\$ 143,360	\$ 525,765	\$ 69,358	\$ 121,781	\$ 130,450	\$ 58,227	\$ 3,553	\$ 1,277,110
Ontario grants	85,530	55,119	316,126	26,410	46,372	49,673	24,085	1,352	604,667
Canada grants	2,469	-	313,640	-	-	-	-	-	316,109
Other municipalities	-	3,594	-	-	-	-	1,203	-	4,797
User fees and service charges	2,697	14,333	11,228	11,618	13,543	-	13,867	5,280	72,566
Interest and penalties on taxes	41,569	-	-	-	-	-	-	-	41,569
Investment income	1,976	-	-	-	-	-	-	-	1,976
Other, gains and (losses)	-	-	-	-	-	-	21,258	-	21,258
	358,857	216,406	1,166,759	107,386	181,696	180,123	118,640	10,185	2,340,052
Expenses									
Salaries and benefits	244,068	485	229,908	2,934	4,397	-	32,005	-	513,797
Materials and supplies	39,423	1,207	249,647	1,290	14,649	-	34,898	-	341,114
Contracted services	67,252	211,220	69,261	140,571	13,790	-	16,540	4,704	523,338
Rents and financial	18,791	-	18,315	-	4,089	-	6,194	-	47,389
External transfers	-	-	-	-	145,071	182,160	-	-	327,231
Amortization	2,100	-	314,656	-	3,889	-	9,392	-	330,037
	371,634	212,912	881,787	144,795	185,885	182,160	99,029	4,704	2,082,906
Excess (deficiency) of revenue over expenses	\$ (12,777)	\$ 3,494	\$ 284,972	\$ (37,409)	\$ (4,189)	\$ (2,037)	\$ 19,611	\$ 5,481	\$ 257,146

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

**Corporation of the Township of
of Plummer Additional
Trust Funds
Financial Statements
For the year ended December 31, 2018**



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Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of
Corporation of the Township of Plummer Additional

Opinion

We have audited the financial statements of the Trust Fund of Corporation of the Township of Plummer Additional (the Trust Fund), which comprise the statement of financial position as at December 31, 2018 and the statement of continuity for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust Fund as at December 31, 2018, and the continuity thereof 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 Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Trust Fund'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 Trust Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 Fund'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 Trust Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust Fund 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario
June 19, 2019

**Corporation of the Township of Plummer Additional
Trust Funds
Care and Maintenance Fund
Statement of Financial Position**

December 31	2018	2017
Assets		
Current		
Cash	\$ 3,793	\$ 813
Short term deposit, due March 30, 2019 with 0.5% interest	84,000	84,000
	<u>\$ 87,793</u>	<u>\$ 84,813</u>
Liabilities		
Current		
Due to operating fund	\$ 50	\$ -
Capital	<u>87,743</u>	<u>84,813</u>
	<u>\$ 87,793</u>	<u>\$ 84,813</u>

For the year ended December 31	Statement of Continuity	
	2018	2017
Balance , beginning of year	\$ 84,813	\$ 84,413
Revenue		
Sale of plots	1,930	400
Monument surcharge	1,000	-
Interest earned	420	380
	<u>3,350</u>	<u>780</u>
Expenditures		
Interest transferred to general fund	420	380
Balance , end of year	<u>\$ 87,743</u>	<u>\$ 84,813</u>

Note to Financial Statements

Basis of Accounting

The financial statements of the Trust Fund of the Corporation of the Township of Plummer Additional are prepared in accordance with Canadian public sector accounting standards.