

**Corporation of the Township of
Plummer Additional
Consolidated Financial Statements
For the year ended December 31, 2025**

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

December 31, 2025

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



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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 municipality), which comprise the consolidated statement of financial position as at December 31, 2025, 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 municipality as at December 31, 2025, 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 municipality 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 municipality'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 municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the municipality'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 municipality'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 municipality'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 municipality 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 municipality 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

August 19, 2026

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

December 31	2025	2024
Financial assets		
Cash and short term investments (Note 2)	\$ 1,769,200	\$ 1,815,376
Taxes receivable (Note 3)	178,144	150,792
Accounts receivable	349,036	250,481
	<u>2,296,380</u>	<u>2,216,649</u>
Liabilities		
Accounts payable and accrued liabilities	297,556	269,199
Deferred revenue	16,986	277,675
Obligatory reserve fund	25,245	42,242
Loans (Note 4)	208,890	303,418
Asset retirement obligation (Note 5)	335,165	327,790
	<u>883,842</u>	<u>1,220,324</u>
Net financial assets	<u>1,412,538</u>	<u>996,325</u>
Non-financial assets		
Tangible capital assets (Schedule 1)	4,935,427	4,777,417
Prepaid expenses and inventory of supplies	52,745	74,030
	<u>4,988,172</u>	<u>4,851,447</u>
Accumulated surplus (Note 6)	<u>\$ 6,400,710</u>	<u>\$ 5,847,772</u>

On behalf of the Council:

 _____ Mayor

 _____ Treasurer

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

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

For the year ended December 31	Budget	2025	2024
Revenue			
Taxation (Note 7)	\$ 1,706,710	\$ 1,715,365	\$ 1,587,725
Government grants - provincial	1,200,830	1,156,001	847,493
Government grants - federal	72,584	117,198	143,773
Government grants - municipal	4,107	6,416	4,107
User fees and service charges	67,856	86,795	79,649
Interest and penalties on taxes	33,000	25,815	38,658
Investment income and other	41,874	51,160	58,211
	3,126,961	3,158,750	2,759,616
Expenses			
General government	466,951	508,095	461,362
Protection services	229,125	190,816	213,998
Transportation services	1,289,199	1,160,000	1,122,571
Environmental services	135,648	150,310	150,462
Health services	220,395	214,293	202,539
Social and family services	246,292	246,292	239,665
Recreation and cultural services	83,280	108,494	104,406
Planning and development	18,500	27,512	26,583
	2,689,390	2,605,812	2,521,586
Annual surplus	437,571	552,938	238,030
Accumulated surplus, beginning of year,	5,847,772	5,847,772	5,609,742
Accumulated surplus, end of year	\$ 6,285,343	\$ 6,400,710	\$ 5,847,772

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**

For the year ended December 31	Budget	2025	2024
Annual surplus	\$ 437,571	\$ 552,938	\$ 238,030
Acquisition of tangible capital assets	(726,860)	(645,811)	(434,719)
Amortization of tangible capital assets	315,420	487,801	417,205
Prepaid expenses and inventory of supplies	-	21,285	58,569
Net change in net financial assets (debt)	26,131	416,213	279,085
Net financial assets, beginning of year	996,325	996,325	717,240
Net financial assets, end of year	\$ 1,022,456	\$ 1,412,538	\$ 996,325

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	2025	2024
Operating transactions		
Annual surplus	\$ 552,938	\$ 238,030
Items not involving cash		
Amortization	<u>487,801</u>	<u>417,205</u>
	1,040,739	655,235
Changes in non-cash operating balances		
Taxes receivable	(27,352)	31,283
Accounts receivable	(98,555)	267,881
Prepaid expenses and inventories of supplies	21,285	58,569
Accounts payable and accrued liabilities	28,357	1,800
Deferred revenue	(260,689)	(85,902)
Obligatory reserve fund	(16,997)	(42,565)
Liability for future closure and post-closure landfill care costs	<u>7,375</u>	<u>10,318</u>
	694,163	896,619
Capital transactions		
Acquisition of tangible capital assets	<u>(645,811)</u>	<u>(434,719)</u>
Financing activities		
Repayment of bank loan	<u>(94,528)</u>	<u>(89,401)</u>
Net change in cash and cash equivalents	(46,176)	372,499
Cash and cash equivalents, beginning of year	<u>1,815,376</u>	<u>1,442,877</u>
Cash and equivalents, end of year	<u>\$ 1,769,200</u>	<u>\$ 1,815,376</u>

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, 2025

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:

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

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.

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable.

Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

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

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.

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.

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, 2025

1. Significant accounting policies (continued)

Financial Instruments Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value. The township does not hold any financial instruments measured at fair value.

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.

Leased Assets Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the municipality, and the obligation, including interest thereon, is retired over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

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

December 31, 2025

1. Significant accounting policies (continued)

**Asset Retirement
Obligations**

A liability for an asset retirement obligation is recognized when 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 is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

**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.

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

December 31, 2025

2. Cash and cash equivalents

Cash and cash equivalents consist of bank balances and guaranteed investment certificates (GIC). GIC's have a balance of \$1,274,250 (2024 - \$1,294,233) with interest rates ranging from 2% to 3% with maturity in January to December 2026.

3. Taxes receivable

	2025	2024
Current year levies	\$ 113,908	\$ 97,627
Previous years levies	59,287	53,980
Penalties and interest	14,949	9,185
Allowance for doubtful collection	(10,000)	(10,000)
	<u>\$ 178,144</u>	<u>\$ 150,792</u>

4. Loans

	2025	2024
Grader loan, repayable \$4,787 monthly including interest at 5.6%, maturing November 2027	\$ 104,098	\$ 154,242
RBC loan, repayable \$4,310 monthly including interest at 5.62%, maturing February 2028	104,792	149,176
	<u>\$ 208,890</u>	<u>\$ 303,418</u>

Interest on the above loans amounted to \$14,634 (2024 - \$19,761).

Principal payments required on long term debt for the next three years are approximately:

Year	Amount
2026	\$ 99,956
2027	100,922
2028	8,012
	<u>\$ 208,890</u>

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

December 31, 2025

5. Asset retirement obligation

The municipality's financial statements include an asset retirement obligation for their portion of a solid waste landfill site. The related asset retirement costs are being amortized on a straight line basis. The liability has been estimated using a net present value technique with a discount rate of 2.25% (2024 - 3.25%). The estimated total undiscounted future expenditures are \$940,120, which are to be incurred over 21 years with 25 additional years for post closure monitoring. The liability is expected to be settled in 2045 with post closure costs settled in 2069.

The carrying amount of the liability is as follows:

	<u>2025</u>	<u>2024</u>
Asset retirement obligation as at December 31, 2024	\$ 327,790	\$ 317,472
Increase due to accretion expense	<u>7,375</u>	<u>10,318</u>
Asset retirement obligation as at December 31, 2025	<u>\$ 335,165</u>	<u>\$ 327,790</u>

No recoveries have been measured or estimated at this time.

6. Accumulated surplus

Allocation of annual deficit

	<u>2025</u>	<u>2024</u>
Equity in tangible capital assets	\$ 245,163	\$ 69,118
Reserves and reserve funds	314,830	128,816
General surplus (deficit)	<u>(7,055)</u>	<u>40,096</u>
	<u>\$ 552,938</u>	<u>\$ 238,030</u>

Accumulated surplus, end of year

	<u>2025</u>	<u>2024</u>
Equity in tangible capital assets	\$ 4,391,372	\$ 4,146,209
Reserves and reserve funds	1,964,290	1,649,460
General surplus	<u>45,048</u>	<u>52,103</u>
	<u>\$ 6,400,710</u>	<u>\$ 5,847,772</u>

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

December 31, 2025

7. Taxation

	2025	2024
Residential and farmland	\$ 1,750,975	\$ 1,632,601
Commercial and industrial	138,430	128,736
Taxation from other governments	16,573	15,669
	1,905,978	1,777,006
Deduct: amounts received or receivable for school boards	(190,613)	(189,281)
	<u>\$ 1,715,365</u>	<u>\$ 1,587,725</u>

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.

8. Funds held in trust

Funds held in trust by the municipality for cemetery care and maintenance amounting to \$112,483 (2024 - \$107,023) are not included in these financial statements but are reported upon separately.

9. 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 \$34,657 (2024 - \$35,593) 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.

10. Public Sector Salary Disclosure Act

For 2025, no employees were paid salaries, as defined in the Public Sector Salary Disclosure Act, 1996 of \$100,000 or more.

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

December 31, 2025

11. Financial instruments

The nature of the financial instrument risks to which Township may be subject to are as follows:

a) Credit risk

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

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

The Township is exposed to credit risk in accounts receivable which includes government and other receivables. The Township measures its exposure to credit risk with respect to accounts receivable based on how long the amounts have been outstanding and management's analysis of accounts including managements on-going monitoring of outstanding accounts, collections, and allowance for doubtful accounts (as expressed in note 3). In the opinion of management, the credit risk exposure in accounts receivable is considered to be moderate.

b) Liquidity risk

Liquidity risk is the risk that the company cannot repay its obligations when they become due to its creditors. The Township is exposed to this risk from its accounts payable and accrued liabilities, and loan payable.

The Township reduces its exposure to liquidity risk by monitoring cash and investing activities and expected outflow through extensive budgeting and maintaining enough cash and investments to repay trade creditors as payables become due. In the opinion of management, the liquidity risk exposure to the Township is low.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk. The Township is only exposed to interest rate risk.

i) Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Township is exposed to this risk through its interest-bearing investments and long term debt held. The Township's GIC portfolio has fixed interest rates ranging from 2.0% to 3.0% and maturities through to December 2026. The Township does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management, the interest rate risk exposure to Township is low.

The Township holds long-term debt with fixed interest rates; which therefore, limits the exposure to interest rate risk for the Township.

There have not been significant changes from the previous year in the exposure to all of the above risks or policies, procedures and methods used to measure these risks.

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

December 31, 2025

12. 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 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, 2025

12. 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.

13. Budget

The Financial Plan (Budget) By-Law adopted by Council 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 with adjustments as follows:

Financial plan (budget) surplus (deficit) for the year	\$ 3,447
Add:	
Capital expenditures	726,860
Unfunded liabilities	2,600
Loan principal repayments	111,094
Net inter-fund transfers from reserves	(91,010)
Less:	
Amortization	<u>(315,420)</u>
Budget surplus per statement of operations	<u>\$ 437,571</u>

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

For the year ended December 31, 2025

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Infrastructure	Construction In Progress	Total
Cost, beginning of year	\$ 35,128	\$ 146,707	\$ 1,127,390	\$ 1,401,048	\$ 607,726	\$ 10,043,661	\$ 1,180,312	\$ 14,541,972
Additions	-	-	175,258	47,145	-	1,603,720	-	1,826,123
Disposals	-	-	-	-	-	-	(1,180,312)	(1,180,312)
Cost, end of year	35,128	146,707	1,302,648	1,448,193	607,726	11,647,381	-	15,187,783
Accumulated amortization, beginning of year	-	46,588	399,064	470,055	369,252	8,479,596	-	9,764,555
Amortization	-	12,213	72,129	70,975	60,773	271,711	-	487,801
Accumulated amortization, end of year	-	58,801	471,193	541,030	430,025	8,751,307	-	10,252,356
Net carrying amount, end of year	\$ 35,128	\$ 87,906	\$ 831,455	\$ 907,163	\$ 177,701	\$ 2,896,074	\$ -	\$ 4,935,427

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

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

For the year ended December 31, 2024 (comparative figures)

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 35,128	\$ 146,707	\$ 770,019	\$ 1,401,048	\$ 607,726	\$ 10,013,629	\$ 1,132,996	\$ 14,107,253
Additions	-	-	357,371	-	-	30,032	47,316	434,719
Cost, end of year	35,128	146,707	1,127,390	1,401,048	607,726	10,043,661	1,180,312	14,541,972
Accumulated amortization, beginning of year	-	34,371	341,545	405,076	308,479	8,257,879	-	9,347,350
Amortization	-	12,217	57,519	64,979	60,773	221,717	-	417,205
Accumulated amortization, end of year	-	46,588	399,064	470,055	369,252	8,479,596	-	9,764,555
Net carrying amount, end of year	\$ 35,128	\$ 100,119	\$ 728,326	\$ 930,993	\$ 238,474	\$ 1,564,065	\$ 1,180,312	\$ 4,777,417

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

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

For the year ended December 31, 2025

	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
Revenue									
Taxation	\$ 299,335	\$ 163,358	\$ 678,286	\$ 106,917	\$ 146,966	\$ 181,871	\$ 129,032	\$ 9,600	\$ 1,715,365
Ontario grants	517,315	56,514	381,550	36,988	60,843	62,918	46,552	3,321	1,156,001
Canada grants	4,816	-	112,382	-	-	-	-	-	117,198
Other municipalities	-	5,213	-	-	-	-	1,203	-	6,416
User fees and service charges	7,294	16,039	10,040	15,364	21,945	-	10,213	5,900	86,795
Interest and penalties on taxes	26,815	-	-	-	-	-	-	-	26,815
Investment income and other	51,160	-	-	-	-	-	-	-	51,160
	905,735	241,124	1,182,258	159,269	219,754	244,789	187,000	18,821	3,158,760
Expenses									
Salaries and benefits	298,495	200	327,518	3,888	3,165	-	26,156	6,000	665,422
Materials and supplies	53,952	(3,335)	346,022	970	12,472	-	17,553	-	427,634
Contracted services	81,317	193,951	61,554	130,808	18,694	-	13,205	21,512	521,041
Rents and financial	27,862	-	43,469	-	7,955	-	13,864	-	93,150
External transfers	-	-	-	-	164,473	246,292	-	-	410,765
Amortization	46,469	-	381,437	14,644	7,534	-	37,716	-	487,800
	508,095	190,816	1,160,000	150,310	214,293	246,292	108,494	27,512	2,605,812
Excess (deficiency) of revenue over expenses	\$ 397,640	\$ 50,308	\$ 22,258	\$ 8,959	\$ 5,461	\$ (1,503)	\$ 78,506	\$ (8,691)	\$ 552,938

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

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

For the year ended December 31, 2024 (comparative figures)

	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
Revenue									
Taxation	\$ 208,349	\$ 155,189	\$ 702,458	\$ 102,031	\$ 137,886	\$ 177,985	\$ 77,611	\$ 26,216	\$ 1,587,725
Ontario grants	225,426	53,405	390,882	34,393	46,480	59,996	28,074	8,837	847,493
Canada grants	-	-	143,773	-	-	-	-	-	143,773
Other municipalities	-	2,904	-	-	-	-	1,203	-	4,107
User fees and service charges	6,914	10,264	14,572	11,416	19,088	-	7,345	10,050	79,649
Interest and penalties on taxes	38,658	-	-	-	-	-	-	-	38,658
Investment income	58,211	-	-	-	-	-	-	-	58,211
	537,558	221,762	1,251,685	147,840	203,454	237,981	114,233	45,103	2,759,616
Expenses									
Salaries and benefits	299,167	-	320,100	3,880	4,036	-	25,399	6,000	658,582
Materials and supplies	64,567	-	340,095	1,006	12,396	-	9,960	-	428,024
Contracted services	67,211	213,998	69,136	130,025	18,619	-	14,434	20,583	534,006
Rents and financial	25,801	-	47,302	-	8,166	-	9,632	-	90,901
External transfers	-	-	-	800	152,404	239,665	-	-	392,869
Amortization	4,616	-	345,938	14,751	6,918	-	44,981	-	417,204
	461,362	213,998	1,122,571	150,462	202,539	239,665	104,406	26,583	2,521,586
Excess (deficiency) of revenue over expenses	\$ 76,196	\$ 7,764	\$ 129,114	\$ (2,622)	\$ 915	\$ (1,684)	\$ 9,827	\$ 18,520	\$ 238,030

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, 2025**



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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, 2025 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, 2025, 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.

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 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

August 19, 2026

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

December 31	2025	2024
Assets		
Current		
GIC investment	\$ 110,662	\$ 107,023
Due from operating fund	1,821	-
	112,483	107,023
Liabilities and Capital		
Capital	\$ 112,483	\$ 107,023

Statement of Continuity

For the year ended December 31	2025	2024
Balance, beginning of year	\$ 107,023	\$ 105,313
Revenue		
Sale of plots	2,760	610
Monument surcharge	2,700	1,100
	5,460	1,710
Expenditures	-	-
Balance, end of year	\$ 112,483	\$ 107,023

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.