

**THE CORPORATION OF THE  
TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

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## INDEPENDENT AUDITORS' REPORT

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**To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Macdonald, Meredith and Aberdeen Additional**

### ***Qualified Opinion***

We have audited the accompanying financial statements of the **Corporation of the Township of Macdonald, Meredith and Aberdeen Additional (the "Township")**, which comprise:

- the consolidated statement of financial position as at **December 31, 2024**
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets (net debt) for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

In our opinion, except for the effect of adjustments, if any as explained in the Basis of Qualified Opinion Paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the **Township** as at **December 31, 2024**, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Qualified Opinion***

The **Corporation of the Township of Macdonald, Meredith and Aberdeen Additional** derives revenue from recreation cash receipts, miscellaneous sales and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our examination of this revenue was limited to the amount recorded in the records of the **Township** and we were not able to determine whether any adjustments might be necessary to recreation revenue, miscellaneous sales, assets, liabilities and accumulated surplus balances. Our audit opinion on the consolidated financial statements for the year ended **December 31, 2022** was modified accordingly because of the possible effects of this departure from Canadian public sector accounting standards.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the **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 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 qualified 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 **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.



### **Auditors' Responsibility 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 auditors' 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 the 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 **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 auditors' 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represents 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.

*Suraci & Olszewski LLP*

**Chartered Professional Accountants, Licensed Public Accountants  
Sault Ste. Marie, Canada  
November 18, 2025**

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<b>AS AT DECEMBER 31,</b>	<b>2024</b>	<b>2023</b>
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 6,203,366	\$ 5,979,483
Taxes receivable (allowance for doubtful \$60,000)	278,536	246,290
Accounts receivable (HST \$49,511)	106,183	587,981
	<u>6,588,085</u>	<u>6,813,754</u>
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	342,490	403,298
Other liabilities (note 8)	139,082	154,930
Asset retirement obligation (note 10)	1,097,893	115,754
	<u>1,579,465</u>	<u>673,982</u>
<b>NET FINANCIAL ASSETS</b>	<u>5,008,620</u>	<u>6,139,772</u>
<b>NON - FINANCIAL ASSETS</b>		
Tangible capital assets (note 11)	15,300,773	13,992,665
Prepaid expenses	92,171	-
	<u>15,392,944</u>	<u>13,992,665</u>
<b>ACCUMULATED SURPLUS (note 7)</b>	<u>\$ 20,401,564</u>	<u>\$ 20,132,437</u>

**Commitment (note 6)**

APPROVED ON BEHALF OF COUNCIL:

\_\_\_\_\_ Mayor

\_\_\_\_\_ CAO

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
CONSOLIDATED STATEMENT OF OPERATIONS**

<b>YEAR ENDED DECEMBER 31,</b>	<b>Budget (Unaudited)</b>	<b>2024</b>	<b>2023</b>
<b>REVENUE</b>			
Taxation, net	\$ 2,438,000	\$ 2,438,600	\$ 2,410,332
Government of Canada	105,348	107,052	116,058
Province of Ontario	957,683	887,911	1,392,466
Penalties and interest	40,000	54,163	48,109
Investment income	285,000	315,296	262,003
User charges and other	484,149	499,363	398,987
Other municipalities	89,780	100,199	95,305
	4,399,960	4,402,584	4,723,260
<b>EXPENDITURES</b>			
General government	840,980	710,812	977,107
Protection to persons and property	505,130	492,372	454,320
Transportation services	1,047,715	941,013	903,645
Environmental services	577,780	793,182	797,641
Health services	97,955	97,669	94,139
Social and family services	588,235	588,235	568,115
Recreation and cultural services	472,225	491,507	540,936
Planning and development	35,000	18,667	20,250
	4,165,020	4,133,457	4,356,153
<b>ANNUAL SURPLUS</b>	234,940	269,127	367,107
<b>Accumulated surplus, beginning of year</b>	20,132,437	20,132,437	19,765,330
<b>Accumulated surplus, end of year (note 7)</b>	<b>\$ 20,367,377</b>	<b>\$ 20,401,564</b>	<b>\$ 20,132,437</b>

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

<b>YEAR ENDED DECEMBER 31,</b>	<b>Budget (Unaudited)</b>	<b>2024</b>	<b>2023</b>
<b>Annual Surplus</b>	\$ 234,940	\$ 269,127	\$ 367,107
Acquisition of Tangible Capital Assets	(879,696)	(2,114,795)	(1,105,680)
Amortization of Tangible Capital Assets	-	796,367	783,986
(Gain) loss on disposal of Tangible Capital Assets	-	5,169	-
Proceeds on Sale Tangible Capital Assets	-	5,151	-
Acquisition of Prepaid Expenses	-	(92,171)	-
<b>Change in Net Financial Assets</b>	<b>(644,756)</b>	<b>(1,131,152)</b>	<b>45,413</b>
<b>Net Financial Assets, Beginning of Year</b>	<b>6,139,772</b>	<b>6,139,772</b>	<b>6,094,359</b>
<b>Net Financial Assets, End of Year</b>	<b>\$ 5,495,016</b>	<b>\$ 5,008,620</b>	<b>\$ 6,139,772</b>

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
CONSOLIDATED STATEMENT OF CASH FLOWS**

<b>YEAR ENDED DECEMBER 31,</b>	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Annual Surplus</b>	\$ 269,127	\$ 367,107
<b>Non-cash changes</b>		
Annual amortization	796,367	783,986
Accretion expense	39,747	28,147
Increase in ARO liability	942,392	-
Loss on Tangible Capital Assets	5,169	-
	<b>2,052,802</b>	<b>1,179,240</b>
<b>Net change in non-cash working capital balances:</b>		
Decrease (increase) in taxes receivable	(32,246)	(27,574)
Decrease (increase) in accounts receivable	481,798	(329,774)
Decrease (increase) in prepaid expenses	(92,171)	-
Increase (decrease) in accounts payable and accrued liabilities	(60,808)	68,554
Increase (decrease) in other current liabilities	(15,848)	(151,263)
<b>Cash provided by operating activities</b>	<b>2,333,527</b>	<b>739,183</b>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(2,114,795)	(1,105,680)
Proceeds on disposal	5,151	-
<b>Cash used in capital transactions</b>	<b>(2,109,644)</b>	<b>(1,105,680)</b>
Increase (decrease) in cash and equivalents	223,883	(366,497)
Cash and cash equivalents, beginning of year	5,979,483	6,345,980
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 6,203,366</b>	<b>\$ 5,979,483</b>

# **THE CORPORATION OF THE TOWNSHIP OF MACDONALD, MEREDITH AND ABERDEEN ADDITIONAL SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**DECEMBER 31, 2024**

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The Corporation of the Township of Macdonald, Meredith and Aberdeen Additional ("the Township") is a municipality in the Province of Ontario, Canada. The Township conducts its operations in accordance with the provisions of provincial statutes such as the Municipal Act, Municipal Affairs Act and related legislation.

## **MANAGEMENT RESPONSIBILITY**

The consolidated financial statements of the Corporation of the Township of Macdonald, Meredith and Aberdeen Additional are the representation of management, prepared in accordance with local government accounting standards established by the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependant upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgment.

## **REPORTING ENTITY**

These consolidated statements reflect the assets, liabilities, operating revenues and expenditures, reserve funds and reserves and tangible capital assets of Macdonald, Meredith and Aberdeen Additional. The reporting entity is comprised of all organizations, local boards and committees accountable for the administration of the financial affairs and resources of the Township, and which are owned or controlled by Macdonald, Meredith and Aberdeen Additional.

All material inter-entity transactions and balances are eliminated on consolidation.

## **NON-CONSOLIDATED ENTITIES**

The following local boards, joint local boards and municipal enterprises are not consolidated:

Algoma Health Unit  
Algoma District Services Administration Board  
Algoma District School Board  
Huron Superior Catholic District School Board  
Conseil Scolaire Du District Du Grand Nord De L'Ontario  
Le Conseil Scolaire Catholique Du Nouvel Ontario

## **ACCOUNTING FOR SCHOOL BOARD TRANSACTIONS**

The taxation, other revenue, expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these financial statements except to record any resulting receivable or payable balance with the Township.

## **TRUST FUNDS**

Trust funds and their related operations administered by the Township are not consolidated, but are reported separately on the "Trust Funds Statement of Continuity and Statement of Financial Position."

## **BASIS OF ACCOUNTING - ACCRUAL ACCOUNTING**

Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become earned and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**DECEMBER 31, 2024**

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**NON-FINANCIAL ASSETS**

Non-financial assets are not available to discharge liabilities but are held for use in the provision of services. The useful lives of such assets extend beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the net revenue (expenditure), provides the Change in Net Financial Assets for the year.

**TANGIBLE CAPITAL ASSETS**

Tangible capital assets are recorded at cost, and include all amounts that are directly attributable to the acquisition, construction, development or betterment of an asset. The cost less residual value of all tangible capital assets are amortized on a straight-line basis over their useful lives as follows:

	<u>Useful Life - Years</u>
<b>General (Non Linear) assets</b>	
- Land improvements	10-25
- Buildings and building components	25-50
- Vehicles and equipment	7-20
- Technology, Machinery and equipment	3-25
<b>Infrastructure (Linear) assets</b>	
- Road bases	50
- Road paved surface and treated surface	10-50
- Sewer and water mains	10-50
- Bridges and structures	50
- Fixtures and equipment	7-12

Assets are amortized in the month following the purchase or in-service date. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

Macdonald, Meredith and Aberdeen Additional has a capitalization threshold of \$10,000 for all categories of tangible capital assets. Individual assets below the threshold are expensed.

Contributions of tangible capital assets are recorded a fair value at the date of receipt and that fair value is also recorded as revenue.

Leases are classified as a capital or operating lease. Leases that transfer substantially all the benefits and risks incidental to ownership of the property are accounted for as a capital lease. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

**INVENTORIES**

Inventories held for consumption are recorded at the lower of cost and net realizable value.

**SURPLUS LAND**

The carrying value of surplus land is based on the purchase and development costs and does not reflect any gain that may arise if the land sells for more than the carrying value.

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**DECEMBER 31, 2024**

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**DEFERRED REVENUE**

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.

**DEFERRED REVENUE**

Deferred revenues represent 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 revenue in the fiscal year the services are performed. From time to time the Township receives development charges under the authority of provincial legislation and Township by-laws.

**RESERVE AND RESERVE FUNDS**

Amounts that are approved by the Township Council are set aside for reserves and reserve funds for future operating and capital purposes. Transfer to/from reserves and reserve funds are an adjustment to the respective fund when approved.

**GOVERNMENT GRANTS AND TRANSFERS**

Government transfers include entitlements, transfers under shared cost agreements, and grants. Revenue is recognized for unconditional entitlements and grants in the period received or receivable. Revenue is recognized for any conditional entitlements and grants in the period of the associated expenditure is incurred. Revenue is recognized for transfers under shared service agreements in the period the costs are incurred.

**BUDGET FIGURES**

Budget figures have been reclassified for the purpose of financial statements to comply with PSAB reporting requirements. The approved operating budget and capital budgets are reflected on the Consolidated Statement of Operations and are unaudited. The budgets established for capital investment in tangible capital assets are on a projected-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 expenditures.

**ASSET RETIREMENT OBLIGATIONS**

A liability for an asset retirement obligation is recognized when 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 is measured at the Township's best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date. The estimate includes costs directly attributable to the asset retirement activities. The costs also include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset and the costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**DECEMBER 31, 2024**

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**ASSET RETIREMENT OBLIGATIONS (CONT'D)**

Upon initial recognition of the liability for an asset retirement obligation, the carrying amount of the corresponding tangible capital asset (or component thereof) is increased by the same amount. The capitalized asset retirement cost is expensed in a rational and systematic manner over the useful life of the tangible capital asset (or a component thereof). For obligations for which there is no tangible capital asset recognized or for tangible capital assets that are no longer in productive use, the asset retirement costs are expensed immediately. Subsequently, the liability is reviewed at each financial statement reporting date and adjusted for:

- Changes as a result of the passage of time with corresponding accretion expense
- Any revisions to the timing, amount of the original estimate of undiscounted cash flows, or the discount rate.

Adjustments to the liability as a result of revisions to the timing, amount of the estimate of undiscounted cash flows or the discount rate are adjusted to the cost of the related tangible capital asset and the revised carrying amount of the related tangible capital asset is amortized except for adjustments related to tangible capital assets that are not recognized or no longer in productive use. These are expensed in the period they are incurred.

The asset retirement costs are amortized on a rational basis based on use. The Township only has one asset retirement obligation relating to a landfill which is amortized on a straight-line basis.

A recovery related to asset retirement obligation is recognized when the recovery can be appropriately measured; reasonably estimated and it is expected that future economic benefits will be obtained. The recovery is not netted against the liability.

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**1. BUDGET RECONCILIATION**

The authority of Council is required before monies can be spent by the Township. Approvals are given in the form of an annually approved budget. The budget approved by Council differs from the budget in the Consolidated Statement of Operations as a result of numerous factors and material changes due to PSAB reporting requirements.

	<b>Revenues 2024</b>	<b>Expenditures 2024</b>
Council approved budget		
Operating fund	\$ 4,399,960	\$ 4,165,020
Reserves and Reserve funds	<u>754,756</u>	<u>110,000</u>
	5,154,716	4,275,020
Capital Budget	<u>-</u>	<u>879,696</u>
Total Approved by Council	5,154,716	5,154,716
Less Reserves and Reserve funds	(754,756)	(110,000)
Less Tangible Capital Assets Capitalized	-	(879,696)
Plus: Budgeted amortization expense	<u>NIL</u>	<u>NIL</u>
Budget per Consolidated Statement of Operations	<u>\$ 4,399,960</u>	<u>\$ 4,165,020</u>

**2. CONTRIBUTIONS TO UNCONSOLIDATED JOINT BOARDS**

The following contributions were made by the Township to these boards:

	<b>2024</b>	<b>2023</b>
Algoma Health Unit	\$ 64,855	\$ 61,184
Algoma District Social Services Administration Board	588,235	568,115
	<u>\$ 653,090</u>	<u>\$ 629,299</u>

The Township is contingently liable for its share of any accumulated deficits of the above boards as well as long term liabilities issued by other Municipalities for these boards.

**3. TRUST FUNDS**

Trust funds administrated by the Township amounting to \$147,864 (2023 - \$140,234) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Operations".

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

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**4. PENSION AGREEMENTS**

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

Each year an independent actuary determines the funding status of the (OMERS) Primary Pension Plan by comparing the actuarial value of the invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the plan was conducted on December 31, 2024. The results of this valuation disclosed total actuarial liabilities of \$142,489 million in respect of benefits accrued for service with actuarial net assets at that date of \$139,576 million indicating an actuarial deficit of \$2,913 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are the joint responsibility of the Ontario municipal organizations and their employees. As a result, the Township does not recognize any share of the OMERS pension surplus or deficit.

The amount contributed to OMERS on behalf of the employees was \$73,595 and total employee and employer contributions was \$147,190 (2023 - \$70,039 and total employee and employer contributions - \$140,077) for the current year service and is included as an expenditure on the Consolidated Statement of Operations.

**5. LIABILITY FOR SICK LEAVE BENEFITS**

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the Municipality's employment.

The liability for these accumulated days, to the extent that they could be taken in cash by an employee upon terminating, amounted to \$ 204,655 (2023 - \$ 192,139 ).

A reserve has been established to provide for this past service liability and is reported on the Consolidated Statement of Financial Position.

**6. COMMITMENT**

The Township has entered into a management service agreement with the Ontario Clean Water Agency (OCWA) to operate and maintain the Township's water treatment plant, distribution system and waste water system. The agreement is for a 4 year and 10 month period ending December 31, 2026, at an annual cost as follows:

January 1, 2025 to December 31, 2025	\$131,480
January 1, 2026 to December 31, 2026	\$134,111

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**7. ACCUMULATED SURPLUS**

The accumulated surplus of individual fund surplus and reserve and reserve funds, \$20,401,564 (2023 - \$20,132,437 ) respectively are made up of the following:

	<b>2024</b>	<b>2023</b>
<b>Surplus</b>		
Invested in Tangible Capital Assets	\$15,300,773	\$13,992,665
Amounts to be recovered	(1,097,893)	(115,754)
	14,202,880	13,876,911
For benefiting land owners related to street lighting areas	(2,081)	(2,081)
<b>Reserves set aside for specific purposes by Council</b>		
- for working capital	4,552,335	4,731,693
- for sick leave	41,440	41,440
- landfill	110,000	100,000
- transportation	266,503	241,503
- water and sewer	5,000	5,000
- water and sewer - capital	226,168	201,168
- cemetery	92,000	87,000
- administration	110,000	100,000
- recreation	199,273	189,273
- fire	325,000	300,000
	5,927,719	5,997,077
<b>Reserve funds set aside for specific purpose by Council</b>		
- fire - capital	68,391	68,391
- for sick leave	204,655	192,139
	273,046	260,530
<b>Accumulated Surplus</b>	<b>\$20,401,564</b>	<b>\$20,132,437</b>

**8. DEFERRED REVENUE**

	<b>2024</b>	<b>2023</b>
Other	\$ 571	\$ 75,571
Northern Ontario Resource Development Support Fund	138,511	79,359
	\$ 139,082	\$ 154,930

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**8. DEFERRED REVENUE (CONT'D)**

	<b>2024</b>	<b>2023</b>
Balance, beginning of year:	\$ 154,930	\$ 306,193
Contributions	77,816	209,256
	232,746	515,449
Contributions used	93,664	360,519
Balance, end of year	\$ 139,082	\$ 154,930

**9. TAXATION AND OPERATIONS OF SCHOOL BOARDS**

During 2024, the Municipality collected and transferred property taxes in the amount of \$292,644 (2023 - \$294,464).

**10. ASSET RETIREMENT OBLIGATION**

The Township has recognized an asset retirement obligation related to the future costs associated with the closure and post-closure monitoring of its landfill. Closure activities include final capping, contouring, environmental remediation, and site stabilization. Post-closure care includes ongoing monitoring of groundwater and surface water, maintenance of leachate control systems, and general environmental oversight. The costs were based upon the presently known obligations that will exist at the estimated year of closure of the site and for 30 years thereafter. As at December 31, 2024, the landfill had an estimated remaining useful life of 42 years. The Town recognized an obligation relating to the removal and post-removal care of the landfill. These costs were discounted using a discount rate of 3.00% per annum and an inflation rate of 2.25% per annum.

During 2024, the Township obtained a new engineering assessment that provided updated information regarding expected closure costs and required post-closure monitoring activities for the landfill site. The updated assessment indicated that both the estimated cost of closure and the duration of required monitoring had increased significantly compared to the estimates available at the time of adoption in 2023.

These changes represent a change in estimate under PS 3280, and the related ARO liability and ARO asset were adjusted prospectively in the current year.

A reconciliation of the aggregate carrying amount of the liability is as follows:

	<b>2024</b>	<b>2023</b>
Opening balance	\$ 115,754	\$ -
Adoption of PS 3280	-	87,607
Change in estimate	942,392	-
Accretion expense	39,747	28,147
Closing balance	\$ 1,097,893	\$ 115,754

**Township of Macdonald, Meredith & Aberdeen Additional  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**11. TANGIBLE CAPITAL ASSETS - SUMMARY BY ASSET CLASS**

	Cost			Accumulated Amortization					2024	2023
	2024 Opening Balance	Additions and Betterments	Disposals/ Transfers	2024 Closing Balance	2024 Opening Balance	2024 Amortization Expense	Accumulated Amortization on Disposals	2024 Ending Balance	Net Book Value	Net Book Value
<b>General Capital Assets</b>										
Land	\$ 143,114	\$ -	\$ -	\$ 143,114	\$ -	\$ -	\$ -	\$ -	\$ 143,114	\$ 143,114
Land improvements	-	73,689	-	73,689	-	614	-	614	73,075	-
Buildings	2,322,399	-	-	2,322,399	680,253	53,152	-	733,405	1,588,994	1,642,146
Equipment and machinery	1,358,897	261,952	-	1,620,849	650,851	75,164	-	726,015	894,834	708,046
Signs	42,022	-	-	42,022	10,955	2,371	-	13,326	28,696	31,067
Technology equipment	22,032	-	-	22,032	15,241	2,457	-	17,698	4,334	6,791
Vehicle and machinery	465,982	-	-	465,982	288,364	23,299	-	311,663	154,319	177,618
Furniture and fixtures	10,000	70,864	-	80,864	10,000	118	-	10,118	70,746	-
Assets Work-in-process	67,551	-	(67,551)	-	-	-	-	-	-	67,551
	4,431,997	406,505	(67,551)	4,770,951	1,655,664	157,175	-	1,812,839	2,958,112	2,776,333
<b>Infrastructure Assets</b>										
Land	\$ 5,001	\$ -	\$ -	\$ 5,001	\$ -	\$ -	\$ -	\$ -	\$ 5,001	\$ 5,001
Land improvements	307,873	942,392	-	1,250,265	116,038	23,816	-	139,854	1,110,411	191,835
Buildings	4,817,765	-	-	4,817,765	2,281,813	96,817	-	2,378,630	2,439,135	2,535,952
Equipment and machinery	3,207,825	226,777	(16,790)	3,417,812	2,175,377	100,287	(16,790)	2,258,874	1,158,938	1,032,448
Vehicles	527,780	50,479	-	578,259	296,712	36,138	-	332,850	245,409	231,068
Linear	14,360,442	548,428	(62,421)	14,846,449	7,181,392	382,134	(52,101)	7,511,425	7,335,024	7,179,050
Other	63,255	-	-	63,255	63,255	-	-	63,255	-	-
Assets Work-in-process	40,978	18,664	(10,899)	48,743	-	-	-	-	48,743	40,978
	23,330,919	1,786,740	(90,110)	25,027,549	12,114,587	639,192	(68,891)	12,684,888	12,342,661	11,216,332
	\$27,762,916	\$ 2,193,245	\$ (157,661)	\$29,798,500	\$13,770,251	\$ 796,367	\$ (68,891)	\$14,497,727	\$15,300,773	\$13,992,665

**Township of Macdonald, Meredith & Aberdeen Additional  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**11. TANGIBLE CAPITAL ASSETS - SUMMARY BY ASSET CLASS (Continued)**

	Cost			Accumulated Amortization					2023	2022
	2023 Opening Balance	Additions and Betterments	Disposals/ Transfers	2023 Closing Balance	2023 Opening Balance	2023 Amortization Expense	Accumulated Amortization on Disposals	2023 Ending Balance	Net Book Value	Net Book Value
<b>General Capital Assets</b>										
Land	\$ 143,114	\$ -	\$ -	\$ 143,114	\$ -	\$ -	\$ -	\$ -	\$ 143,114	\$ 143,114
Buildings	1,750,145	572,254	-	2,322,399	646,176	34,077	-	680,253	1,642,146	1,103,969
Equipment and machinery	1,358,897	-	-	1,358,897	579,725	71,126	-	650,851	708,046	779,172
Signs	42,022	-	-	42,022	8,584	2,371	-	10,955	31,067	33,438
Technology equipment	22,032	-	-	22,032	12,784	2,457	-	15,241	6,791	9,248
Vehicle and machinery	465,982	-	-	465,982	265,065	23,299	-	288,364	177,618	200,917
Furniture and fixtures	10,000	-	-	10,000	10,000	-	-	10,000	-	-
Assets Work-in-process	83,351	-	(15,800)	67,551	-	-	-	-	67,551	83,351
	3,875,543	572,254	(15,800)	4,431,997	1,522,334	133,330	-	1,655,664	2,776,333	2,353,209
<b>Infrastructure Assets</b>										
Land	\$ 5,001	\$ -	\$ -	\$ 5,001	\$ -	\$ -	\$ -	\$ -	\$ 5,001	\$ 5,001
Land improvements	206,622	101,251	-	307,873	112,015	4,023	-	116,038	191,835	94,607
Buildings	4,817,765	-	-	4,817,765	2,184,996	96,817	-	2,281,813	2,535,952	2,632,769
Equipment and machinery	3,207,825	-	-	3,207,825	2,041,023	134,354	-	2,175,377	1,032,448	1,166,802
Vehicles	473,407	54,373	-	527,780	263,036	33,676	-	296,712	231,068	210,371
Linear	13,799,333	561,109	-	14,360,442	6,799,606	381,786	-	7,181,392	7,179,050	6,999,727
Other	63,255	-	-	63,255	63,255	-	-	63,255	-	-
Assets Work-in-process	208,485	10,899	(178,406)	40,978	-	-	-	-	40,978	208,485
	22,781,693	727,632	(178,406)	23,330,919	11,463,931	650,656	-	12,114,587	11,216,332	11,317,762
	\$26,657,236	\$ 1,299,886	\$ (194,206)	\$27,762,916	\$12,986,265	\$ 783,986	\$ -	\$13,770,251	\$13,992,665	\$13,670,971

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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**12. SEGMENTED INFORMATION - SERVICE BUNDLE**

The Township of Macdonald, Meredith and Aberdeen Additional is a diversified municipal government institution that provides a wide range of services to more than 1,513 citizens. Township services are provided by departments and their activities are reported in these funds. Certain departments have been separately disclosed in the segmented information, along with the services they provide, and are as follows:

**General Government**

General Government consists of Office of the Mayor, Council expenses, Administrative Services (including Clerks, Elections, Communications, Legal and Information Technology Services). Areas within the General Government respond to the needs of external and internal clients by providing high quality, supportive and responsive services. This area supports the operating departments in implementing priorities of Council and provides strategic leadership on issues, relating to governance, strategic planning and service delivery.

**Protection Services**

This section consists of Fire, Police, Animal Control, Building Services, and Emergency measures. Police Services ensure the safety of the lives and property of citizens; preserve peace and order; prevent crimes from occurring; detect offenders and enforce the law. Fire Services is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection and extinguishment of fires. The Building Services processes permit applications and ensures compliance with the Ontario Building Code and with By-Laws enacted by Council.

**Transportation Services**

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

**Environmental Services**

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

**Health and Social Services**

This section consists of Ambulance Services, Social Services including Housing Services, Childcare, Assistance to aged persons, Cemetery Services, and the Municipality's contribution to the Health Unit.

**Recreation and Cultural Services**

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

**Planning and Development Services**

The goal of this section is to offer coordinated development services in order to maximize economic development opportunities. The Planning and Development ensures that the Township is planned and developed in accordance with the Ontario Planning Act, Provincial policies and good planning principles so that the Township is an enjoyable and beautiful community to live, work and play. This section also provides leadership in matters relating to landscape restoration, ecosystem health, biological integrity, energy conservation, air and lake water quality.

Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation, certain government grants and other revenue are apportioned to Current Fund services based on a percentage of operations.

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2024**

**12. SEGMENTED INFORMATION - SERVICE BUNDLE (CONT'D)**

	General Government		Protection Services		Transportation Services		Environmental Services	
	2024	2023	2024	2023	2024	2023	2024	2023
<b>Revenues</b>								
<b>Taxation (net)</b>	\$ 585,264	\$ 578,480	\$ 256,053	\$ 253,085	\$ 585,264	\$ 578,480	\$ 341,404	\$ 337,446
Government grants and transfers	334,700	524,084	80,819	73,949	244,808	256,689	86,380	87,612
User Charges & other	346,872	288,604	21,550	20,874	12,999	11,546	334,169	281,473
Other Municipalities	-	-	100,199	95,305	-	-	-	-
	1,266,836	1,391,168	458,621	443,213	843,071	846,715	761,953	706,531
<b>Expenditures</b>								
Salaries, wages and benefits	515,770	569,594	39,999	39,291	316,296	269,781	48,573	49,371
Materials and contracts	186,685	399,350	415,617	377,901	269,360	284,606	455,605	446,872
Amortization	8,357	8,163	36,756	37,128	345,037	349,258	294,155	301,398
(Gain) Loss on Disposal of Assets	-	-	-	-	10,320	-	(5,151)	-
	710,812	977,107	492,372	454,320	941,013	903,645	793,182	797,641
<b>Annual Surplus (deficit)</b>	\$ 556,024	\$ 414,061	\$ (33,751)	\$ (11,107)	\$ (97,942)	\$ (56,930)	\$ (31,229)	\$ (91,110)

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2024**

**12.SEGMENTED INFORMATION - SERVICE BUNDLE (CONT'D)**

	Health and Social Services		Recreation and Cultural Services		Planning and Development		Total	Total
	2024	2023	2024	2023	2024	2023	2024	2023
<b>Revenues</b>								
Taxation (net)	\$ 390,176	\$ 385,653	\$ 268,246	\$ 265,137	\$ 12,193	\$ 12,052	\$2,438,600	\$2,410,333
Government grants and transfers	98,720	100,128	146,451	461,813	3,085	3,129	994,963	1,507,404
User Charges & other	17,024	14,460	135,937	92,120	271	1,141	868,822	710,218
Other Municipalities	-	-	-	-	-	-	100,199	95,305
	505,920	500,241	550,634	819,070	15,549	16,322	4,402,584	4,723,260
<b>Expenditures</b>								
Salaries, wages and benefits	11,089	7,913	213,305	253,532	-	-	1,145,032	1,189,482
Materials and contracts	674,697	654,341	166,258	199,366	18,667	20,250	2,186,889	2,382,686
Amortization	118	-	111,944	88,038	-	-	796,367	783,985
(Gain) Loss on Disposal of Assets	-	-	-	-	-	-	5,169	-
	685,904	662,254	491,507	540,936	18,667	20,250	4,133,457	4,356,153
<b>Annual Surplus (deficit)</b>	<b>\$ (179,984)</b>	<b>\$ (162,013)</b>	<b>\$ 59,127</b>	<b>278,134</b>	<b>\$ (3,118)</b>	<b>\$ (3,928)</b>	<b>\$ 269,127</b>	<b>\$ 367,107</b>



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## INDEPENDENT AUDITORS' REPORT

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**To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Macdonald, Meredith and Aberdeen Additional**

### ***Opinion***

We have audited the accompanying financial statements of the **Trust Funds of the Corporation of the Township of Macdonald, Meredith and Aberdeen Additional (the "Trust Funds")**, which comprise:

- the statement of financial position as at **December 31, 2024**
- the statement of continuity for the year then ended
- including a summary of significant accounting policies

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **Township's** Trust Funds as at **December 31, 2024**, and the statement of continuity or the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the **Township's** 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 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.



### ***Auditors' Responsibility 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 the 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 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 auditors' 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 auditors' report. However, future events or conditions may cause the Township's 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 represents 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.

*Suraci & Olszewski LLP*

**Chartered Professional Accountants, Licensed Public Accountants  
Sault Ste. Marie, Canada  
November 18, 2025**

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
 MEREDITH AND ABERDEEN ADDITIONAL  
 TRUST FUNDS  
 STATEMENT OF FINANCIAL POSITION**

<b>AS AT DECEMBER 31,</b>	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and investments	\$ 7,004	\$ 5,874
<b>LONG TERM</b>		
Term deposits	143,731	137,231
	<b>\$ 150,735</b>	<b>\$ 143,105</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Due to township	\$ 2,871	\$ 2,871
<b>ACCUMULATED SURPLUS</b>		
	<b>147,864</b>	<b>140,234</b>
	<b>\$ 150,735</b>	<b>\$ 143,105</b>

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
 MEREDITH AND ABERDEEN ADDITIONAL  
 TRUST FUNDS  
 STATEMENT OF CONTINUITY**

<b>YEAR ENDED DECEMBER 31,</b>	<b>2024</b>	<b>2023</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	\$ 140,234	\$ 133,784
<b>REVENUES</b>		
Donations and plot sales	7,630	6,450
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$147,864</b>	<b>\$140,234</b>

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
TRUST FUNDS  
NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

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**BASIS OF ACCOUNTING**

Capital receipts and income are reported on the cash basis of accounting.

Expenditures are reported on the cash basis of accounting with the exception of administrative expenses which are reported on the accrual basis of accounting which recognizes expenditures as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.



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## INDEPENDENT AUDITORS' REPORT

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To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Macdonald, Meredith and Aberdeen Additional

### *Opinion*

We have audited the accompanying financial statement of the **Cemetery Board of the Corporation of the Township of Macdonald, Meredith and Aberdeen Additional (the "Board")**, which comprise:

- the statement of operations for the year ended **December 31, 2024**
- including a summary of significant accounting policies

In our opinion, the accompanying financial statement presents fairly, in all material respects, the statement of operations of the **Board** for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the **Board** in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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 Statement*

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

In preparing the financial statement, management is responsible for assessing the **Board'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 **Board** or to cease operations, or has no realistic alternative but to do so.

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



### **Auditors' Responsibility for the Audit of the Financial Statement**

Our objectives are to obtain reasonable assurance about whether the financial statement 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 the financial statement.

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 statement, 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 **Board'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 **Board's** ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statement 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 auditors' report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents 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.

*Suraci & Olszewski LLP*

**Chartered Professional Accountants, Licensed Public Accountants**  
**Sault Ste. Marie, Canada**  
**November 18, 2025**

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
 MEREDITH AND ABERDEEN ADDITIONAL  
 CEMETERY BOARD  
 STATEMENT OF OPERATIONS**

<b>YEAR ENDED DECEMBER 31,</b>	<b>2024</b>	<b>2023</b>
<b>REVENUES</b>		
Sales of plots	\$ 7,630	\$ 6,450
Deduct: transfer to care and maintenance fund	(7,630)	(6,450)
	-	-
Service fees	8,358	6,763
Municipal grant	12,882	14,618
	<b>\$ 21,240</b>	<b>\$ 21,381</b>
<b>EXPENDITURES</b>		
Administration	\$ 85	\$ 85
Honorariums and mileage	11,004	7,828
Maintenance and supplies	10,151	13,468
	<b>\$ 21,240</b>	<b>\$ 21,381</b>

**THE CORPORATION OF THE TOWNSHIP OF MACDONALD,  
MEREDITH AND ABERDEEN ADDITIONAL  
CEMETERY BOARD  
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024**

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**BASIS OF ACCOUNTING**

Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.