

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

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CORPORATION OF THE TOWNSHIP OF RAMARA

For The Year Ended December 31, 2024

MANAGEMENT REPORT

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

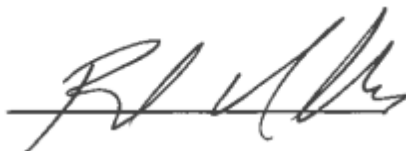
The consolidated financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgements. When alternative accounting methods exist, management has chosen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

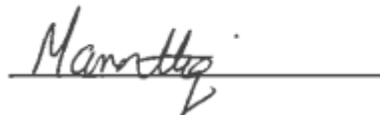
The Township maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Township's assets are appropriately accounted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

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

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

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



Mayor

Treasurer

June 23, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Ramara

Opinion

We have audited the consolidated financial statements of the Corporation of the Township of Ramara and its local boards (the Township), which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, change in net financial assets/(net debt) and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Township as at December 31, 2024, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Township in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Township's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Township or to cease operations, or has no realistic alternative but to do so.

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

ASSURANCE • TAX • ADVISORY

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

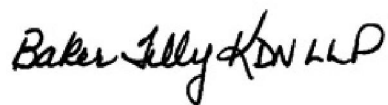
Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Township's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Township to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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



Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 30, 2025

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2024

	2024 \$	2023 \$
FINANCIAL ASSETS		
Cash	2,740,718	8,240,155
Accounts receivable	2,101,241	1,893,266
Taxes receivable	3,233,032	2,554,151
Land held for sale	291,390	1,093,417
Long-term receivables (note 3)	1,364,519	1,454,985
Investments (note 4)	10,577,221	10,021,980
TOTAL FINANCIAL ASSETS	20,308,121	25,257,954
LIABILITIES		
Accounts payable and accrued liabilities	6,453,022	8,163,510
Deferred revenue - obligatory reserve funds (note 5)	5,654,193	5,566,664
Deferred revenue - other (note 6)	454,096	340,484
Long term debt (note 7)	8,099,831	8,471,373
Asset retirement obligation (note 11)	341,904	325,919
TOTAL LIABILITIES	21,003,046	22,867,950
NET FINANCIAL ASSETS/(NET DEBT)	(694,925)	2,390,004
NON-FINANCIAL ASSETS		
Tangible capital assets (note 9)	76,871,370	69,300,159
Prepaid expenses	474,507	476,813
TOTAL NON-FINANCIAL ASSETS	77,345,877	69,776,972
	76,650,952	72,166,976
Comprised of:		
Accumulated surplus (note 10)	76,283,421	71,644,186
Accumulated remeasurement gains	367,531	522,790
	76,650,952	72,166,976

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2024

	Budget 2024 \$ (note 17)	Actual 2024 \$	Actual 2023 \$
REVENUES			
Property taxation	16,654,600	16,832,010	15,482,843
User charges	4,949,300	4,714,900	4,541,241
Government of Canada	39,500	37,888	27,203
Province of Ontario	1,594,300	1,636,673	2,500,337
Other municipalities	51,000	90,376	27,416
Penalties and interest on taxes	370,000	418,717	353,773
Investment income	751,500	1,703,845	592,186
Sale of land and other sales	1,003,000	1,451,398	251,470
Capital contributions	5,000	3,895	1,947
Development charges earned (note 5)	22,900	-	-
Parkland fees earned (note 5)	11,400	-	-
Canada Community-Building Fund earned (note 5)	1,089,300	740,000	223,900
Other	394,800	370,918	444,746
TOTAL REVENUES	26,936,600	28,000,620	24,447,062
EXPENSES			
General government	3,212,331	3,169,464	3,134,483
Protection services	4,862,945	4,996,182	4,618,048
Transportation services	5,887,450	6,302,291	6,044,339
Environmental services	3,581,832	5,521,217	3,697,941
Health services	151,867	137,277	202,348
Recreation and cultural services	1,817,615	1,770,883	2,049,158
Planning and development	517,400	1,352,369	736,383
TOTAL EXPENSES	20,031,440	23,249,683	20,482,700
ANNUAL SURPLUS	6,905,160	4,750,937	3,964,362
ACCUMULATED SURPLUS - beginning of year		71,644,186	67,679,824
ADJUSTMENT ON ADOPTION OF THE REVENUE RECOGNITION STANDARD (note 2)		(111,702)	-
ACCUMULATED SURPLUS - beginning of year, as restated		71,532,484	67,679,824
ACCUMULATED SURPLUS - end of year		76,283,421	71,644,186

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

For the Year Ended December 31, 2024

	2024 \$	2023 \$
ACCUMULATED REMEASUREMENT GAINS - beginning of year	522,790	-
Adjustment on adoption of the financial instruments standard	-	107,170
	522,790	107,170
Unrealized gains attributed to:		
Principal protected notes	1,270,741	415,620
Realized gains, reclassified to the statement of operations:		
Principal protected notes sold or matured	(1,426,000)	-
Net change in remeasurement gains (losses) for the year	(155,259)	415,620
ACCUMULATED REMEASUREMENT GAINS - end of year	367,531	522,790

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS/(NET DEBT)

For the Year Ended December 31, 2024

	Budget 2024 \$ (note 17)	Actual 2024 \$	Actual 2023 \$
ANNUAL SURPLUS	6,905,160	4,750,937	3,964,362
Amortization of tangible capital assets	2,987,340	3,151,525	2,987,338
Purchase of tangible capital assets	(18,417,000)	(10,863,890)	(13,978,350)
Loss on disposal of tangible capital assets	-	94,931	176,811
Proceeds on sale of tangible capital assets	-	61,700	40,750
Change in asset retirement obligation estimate	-	(15,477)	-
Change in prepaid expenses	-	2,306	(117,065)
CHANGE IN NET FINANCIAL ASSETS/(NET DEBT)	(8,524,500)	(2,817,968)	(6,926,154)
NET FINANCIAL ASSETS - beginning of year	2,390,004	2,390,004	9,104,063
ADJUSTMENT ON ADOPTION OF THE ASSET RETIREMENT OBLIGATION STANDARD	-	-	(310,695)
ADJUSTMENT ON ADOPTION OF THE FINANCIAL INSTRUMENTS STANDARD	-	-	107,170
ADJUSTMENT ON ADOPTION OF THE REVENUE RECOGNITION STANDARD (note 2)	-	(111,702)	-
NET FINANCIAL ASSETS - beginning of year, as restated	2,390,004	2,278,302	8,900,538
INCREASE/(DECREASE) IN ACCUMULATED REMEASUREMENT GAINS	-	(155,259)	415,620
NET FINANCIAL ASSETS/(NET DEBT) - end of year	(6,134,496)	(694,925)	2,390,004

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2024

	2024	2023
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	4,750,937	3,964,362
Items not involving cash		
Amortization of tangible capital assets	3,151,525	2,987,338
Loss on disposal of tangible capital assets	94,931	176,811
Accretion expense	508	15,224
Change in non-cash assets and liabilities		
Accounts receivable	(207,975)	1,172,746
Taxes receivable	(678,881)	(152,056)
Land held for sale	802,027	43,162
Long-term receivables	90,466	98,822
Prepaid expenses	2,306	(117,065)
Accounts payable and accrued liabilities	(1,710,488)	2,814,896
Deferred revenue - obligatory reserve funds	87,529	549,049
Deferred revenue - other	1,910	(600,644)
Net change in cash from operating activities	6,384,795	10,952,645
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(10,863,890)	(13,978,350)
Proceeds on disposal of tangible capital assets	61,700	40,750
Net change in cash from capital activities	(10,802,190)	(13,937,600)
INVESTING ACTIVITIES		
Purchase of investments	(710,500)	(4,499,190)
FINANCING ACTIVITIES		
Debt principal repayments	(371,542)	(355,529)
NET CHANGE IN CASH	(5,499,437)	(7,839,674)
CASH - beginning of year	8,240,155	16,079,829
CASH - end of year	2,740,718	8,240,155

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

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

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies are as follows:

(a) Reporting Entity

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

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

- Ramara Township Public Library Board
- Lagoon City Parks & Waterways

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

(b) Trust Funds

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

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, as well as legally or contractually required retirement activities. When historical cost records were not available, other methods were used to estimate costs. The cost, less residual value, if any, is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Land improvements	10-40 years
Buildings and structures	20-60 years
Furniture and office equipment	4-10 years
Machinery and equipment	5-30 years
Vehicles	8-20 years
Roads and bridges	20-50 years
Water and sewer	10-90 years
Parks and waterways	10-50 years

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

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

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Recognition of Revenues and Expenses

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

Property taxation

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

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

Government funding

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

Other revenue

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

Investment income is recorded in the year in which it is earned.

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

Sale of land and other sales are recognized as revenue when the transactions are legally completed.

Capital contributions are earned as amounts are billed to residents.

(e) Non-financial Assets

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

(f) Reserves and Reserve Funds

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

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Financial Instruments

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

Financial Instrument	Measurement Method
Cash	Amortized Cost
Accounts receivable	Amortized Cost
Taxes receivable	Amortized Cost
Long-term receivables	Amortized Cost
Investments	Fair Value
Accounts payable and accrued liabilities	Amortized Cost
Long term debt	Amortized Cost

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

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

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

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

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Asset Retirement Obligation

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

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

A liability for the removal of asbestos in several of the buildings owned by the Township has been recognized based on estimated future expenses for remediation or disposal.

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

(i) Use of Estimates

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

- The amount recorded for asset retirement obligation is based on estimates of the assets with potential contaminants and management's estimate of the costs to retire those assets - See Note 1(h) and related costs added to tangible capital assets - See Note 1(c)
- Amortization of tangible capital assets is based on estimated useful life and residual value - See Note 1(c)
- Allowance for doubtful accounts receivable is based in management's estimate of future collectibility

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

2. CHANGES IN ACCOUNTING POLICIES

The Township has implemented the following sections and guidelines which are now effective under the PSA Handbook: 3160 Public Private Partnerships, 3400 Revenue, and PSG-8 Purchased Intangibles.

Section 3160 establishes standards on accounting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. The adoption of this standard did not have an impact on the Township's consolidated financial statements.

Section 3400 establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as 'exchange transactions', and transactions that do not have performance obligations, referred to as 'non-exchange transactions'.

In accordance with the provisions of this new standard, which has been applied prospectively, the Township reflected the following adjustments at January 1, 2024:

- An increase of \$111,702 to deferred revenue - other and corresponding decrease to accumulated surplus related to the estimated unearned portion of building permit fees due to outstanding performance obligations at December 31, 2023.

Under PSG-8, an entity may recognize purchased intangibles as an asset in its consolidated financial statements if the intangible meets the asset definition and the general recognition criteria. The adoption of this standard did not have an impact on the Township's consolidated financial statements.

3. LONG-TERM RECEIVABLES

Long-term receivables consist of the following:

	2024	2023
	\$	\$
Brechin sewer assessment	1,316,021	1,398,371
Bayview Drive watermain extension	48,498	56,614
	1,364,519	1,454,985

4. INVESTMENTS

Investments consist of the following:

	Level	2024	2023
	(note 1(g))	\$	\$
Principal protected notes	1	10,577,221	10,021,980

The CIBC principal protected notes have dates between August 26, 2027 and July 3, 2031.

There were no transfers in or out of level 2 and level 3 during the year.

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

5. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances in the obligatory reserve funds of the Township are summarized below:

	2024	2023
	\$	\$
Development charges	3,788,926	3,398,126
Parkland	206,606	182,795
Canada Community-Building Fund	1,658,661	1,985,743
	5,654,193	5,566,664

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

	2024	2023
	\$	\$
Balance - beginning of year	5,566,664	5,017,615
Add amounts received:		
Development charges	227,010	206,321
Parkland	15,000	5,400
Canada Community-Building Fund	330,942	313,997
Interest	254,577	247,231
	827,529	772,949
Less transfer to operations:		
Canada Community-Building Fund earned	740,000	223,900
Balance - end of year	5,654,193	5,566,664

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

6. DEFERRED REVENUE - OTHER

Included in deferred revenue - other are the following amounts:

	2024	2023
	\$	\$
Deposits on land sales	105,300	184,150
Provincial - OCIF	-	42,220
Provincial - OCLIF	27,717	27,717
Federal - Accessibility	72,476	72,476
Building permits	194,057	-
Other	54,546	13,921
	454,096	340,484

The continuity of deferred revenue - other is as follows:

	2024	2023
	\$	\$
Balance - beginning of year	340,484	941,128
Adjustment to opening balance (note 2)	111,702	-
Add amounts received:		
Provincial - OCIF	401,849	444,356
Building permits	434,126	-
Interest	8,495	42,220
Other	48,578	4,689
	893,048	491,265
Less transfer to operations:		
Provincial - OCIF	452,564	972,424
Provincial - Safe Restart	-	73,985
Provincial - Modernization	-	45,500
Land sale deposits earned	78,850	-
Building permits	351,771	-
Other	7,953	-
	891,138	1,091,909
Balance - end of year	454,096	340,484

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

7. LONG TERM DEBT

- (a) The balance of long term debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2024 \$	2023 \$
Debenture issued to the Ontario Infrastructure Projects Corporation repayable in semi-annual blended instalments of \$188,261, interest at 5.91% per annum, due December 1, 2038	3,552,069	3,711,561
Debenture issued to the Ontario Infrastructure Projects Corporation repayable in semi-annual blended instalments of \$81,659, interest at 2.8% per annum, due August 3, 2038	1,880,820	1,989,194
Debenture issued to the Ontario Infrastructure Projects Corporation repayable in semi-annual blended instalments of \$106,600, interest at 3.99% per annum, due May 1, 2042	2,666,942	2,770,618
	8,099,831	8,471,373

- (b) The long term debt in (a) issued in the name of the Township have been approved by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.
- (c) The Township acts as a collection agency for the Province of Ontario for tile drainage loans for individual ratepayers. The value of these loans outstanding at December 31, 2024 is \$266,844 (2023 - \$249,465). These loans and the related repayments are not reported on the Consolidated Statements of Financial Position, Operations and Accumulated Surplus Change in Net Financial Assets/(Net Debt) and Cash Flows.
- (d) Interest paid during the year on long term debt amounted to \$342,297 (2023 - \$356,680).
- (e) The long term debt reported in (a) of this note is repayable as follows:

	Principal \$	Interest \$	Total \$
2025	388,340	364,700	753,040
2026	405,967	347,073	753,040
2027	424,466	328,574	753,040
2028	443,883	309,157	753,040
2029	464,266	288,774	753,040
2030 to 2034	2,664,651	1,100,552	3,765,203
2035 and subsequent years	3,308,258	450,107	3,758,365
	8,099,831	3,188,937	11,288,768

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

8. CREDIT FACILITY AGREEMENT

The Township has a revolving credit facility agreement with its main financial institution. The amount available at any time is limited to \$3,500,000 via an operating loan. Any balance borrowed will accrue interest at the bank's prime lending rate. Council authorized the temporary borrowing limit by By-law 2024.03. At December 31, 2024 there was no balance outstanding (2023 - \$Nil).

9. TANGIBLE CAPITAL ASSETS

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

	2024 \$	2023 \$
General		
Land and land improvements	17,353,568	17,306,712
Buildings and structures	7,070,130	7,349,830
Furniture and office equipment	251,588	231,577
Machinery and equipment	8,249,369	7,629,064
Vehicles	4,242,557	3,538,270
Infrastructure		
Roads and bridges	24,960,156	15,584,788
Water and sewer	10,597,602	10,377,970
Parks and waterways	1,419,176	692,875
	74,144,146	62,711,086
Assets under construction	2,727,224	6,589,073
	76,871,370	69,300,159

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

During the year there were no write-downs of assets (2023 - \$Nil), no interest capitalized (2023 - \$Nil) and no contributed assets (2023 - \$Nil).

Tangible capital assets allocated by segment are as follows:

	2024 \$	2023 \$
General government	7,861,768	7,955,398
Protection services	5,397,695	4,711,011
Transportation services	36,040,119	30,104,682
Environmental services	18,581,941	18,266,406
Health services	98,406	104,958
Recreation and cultural services	8,891,441	8,157,704
	76,871,370	69,300,159

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the Year Ended December 31, 2024

10. ACCUMULATED SURPLUS

(a) Accumulated surplus consists of the following:

	2024 \$	2023 \$
Surplus/(Deficit)		
Sewage works	1,023,911	2,046,098
Brechin sewers	(3,200,248)	(3,200,248)
Surplus (deficit) in land held for sale	(350,208)	423,011
	(2,526,545)	(731,139)
Invested In Capital Assets		
Tangible capital assets - net book value	76,871,370	69,300,159
Long term debt related to tangible capital asset acquisition	(7,458,233)	(7,800,967)
Unfunded capital (b)	(1,695,674)	(167,645)
Unfunded asset retirement obligation	(341,904)	(325,919)
	67,375,559	61,005,628
Surplus	64,849,014	60,274,489
Reserves		
Working capital	161,068	1,021,670
Contingencies	364,634	364,634
Rate stabilization	812,858	812,858
Municipal projects	586,860	560,466
Mosquito control	39,566	45,090
Goose management	12,494	4,239
Capital expenditures - Township	8,572,573	7,549,200
Capital expenditures - Library	128,743	124,587
Total Reserves	10,678,796	10,482,744
Reserve Funds		
Equipment and housing	137,626	131,297
Library expansion	44,738	47,640
Lagoon City Parks and Waterway	573,247	708,016
Total Reserve Funds	755,611	886,953
	76,283,421	71,644,186

(b) \$1,500,000 of the unfunded capital will be funded with long term debt in 2025. The remainder of the unfunded capital will be funded through charges to operations.

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

11. ASSET RETIREMENT OBLIGATION

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

(a) Asbestos obligation

The Township owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 – Asset Retirement Obligations, the Township recognized an obligation relating to the removal of the asbestos in these building as estimated at January 1, 2023. Estimated costs have been discounted to the present value using a discount rate of 4.82% per annum.

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

	Asbestos removal 2024 \$	Asbestos removal 2023 \$
Asset Retirement Obligation		
Opening balance	325,919	-
Adjustment on adoption of the asset retirement obligation standard	-	310,695
Opening balance, as restated	325,919	310,695
Revaluation of liability	15,477	-
Accretion expense	508	15,224
Closing balance	341,904	325,919

12. EXPENSES BY OBJECT

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

	Budget 2024 \$ (note 17)	Actual 2024 \$	Actual 2023 \$
Salaries and benefits	7,012,100	6,950,823	6,957,071
Interest charges	342,300	342,297	356,680
Materials	2,821,500	2,846,923	2,596,582
Contracted services	6,672,700	8,816,403	7,064,902
Rents and financial	15,000	12,264	37,753
External transfers	184,000	193,289	221,570
Amortization	2,987,340	3,151,525	2,987,338
Loss (gain) on disposal of tangible capital assets	(3,500)	94,931	176,811
Cost of sale of land	-	841,228	83,993
	20,031,440	23,249,683	20,482,700

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

13. FINANCIAL INSTRUMENTS

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

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

(a) Interest rate risk

Interest rate risk is the risk that the Township has interest rate exposure on its long term debt. This exposure is low as the long term debt has fixed interest rates and terms.

(b) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss.

(c) Market risk

The Township is exposed to certain market risks including changes in the value of investments.

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

14. PENSION AGREEMENTS

Certain employees of the Township are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan.

The Actuarial Opinion contained in the 2024 Annual Report disclosed total actuarial liabilities of \$142,489 million in respect of benefits accrued for service with actuarial assets 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 a joint responsibility of Ontario municipal organizations and their employees. As a result, the Township does not recognize any share of the OMERS pension surplus or deficit.

The Township's total contributions to OMERS in 2024 were \$938,746 (2023 - \$937,340) of which \$469,373 (2023 - \$468,670) was contributed by employees.

15. CONTINGENT LIABILITIES

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

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

16. SEGMENTED INFORMATION

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

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

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

General Government

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

Protection Services

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

Transportation Services

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

Water and Sewer

This function is responsible for providing water and sewer services to the Township.

Other Environmental Services

This function is responsible for solar operations.

Health Services

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

Recreation and Cultural Services

The recreation and cultural services function provides indoor and outdoor recreational facilities and programs and includes the operations of Lagoon City Parks & Waterways and the Ramara Township Public Library.

Planning and Development

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

CORPORATION OF THE TOWNSHIP OF RAMARA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

17. BUDGET FIGURES

The budget, approved by the Township differs from the budget reflected on the Consolidated Statement of Operations and Accumulated Surplus as the approved budget has been adjusted to comply with PSA reporting requirements.

The following is a reconciliation of Council's approved budget to the annual surplus:

	2024 \$
Council approved budgeted surplus	-
Tangible capital asset additions	18,417,000
Amortization of tangible capital assets	(2,987,340)
Principal repayment of long term debt	371,500
Transfers to/(from) reserves and reserve funds	(4,546,000)
Change in unfunded capital	(4,350,000)
Annual surplus reported on the Consolidated Statement of Operations	6,905,160

18. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF SIMCOE

During 2024, requisitions were made by the County of Simcoe and School Boards requiring the Township to collect property taxes and payments in lieu of property taxes on their behalf. The amounts collected and remitted are as follows:

	School Boards \$	County \$
Amounts requisitioned and remitted	4,710,079	7,880,034

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

19. TRUST FUNDS

Trust funds administered by the Township amounting to \$18,786 (2023 - \$17,707) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus. As such balances are held in trust by the Township for the benefit of others, they are not presented as part of the Township's financial position or operations.

20. COMPARATIVE FIGURES

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

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS For the Year Ended December 31, 2024

	General					Infrastructure			Assets Under Construction	Totals
	Land and Land Improvements	Buildings and Structures	Furniture and Office Equipment	Machinery and Equipment	Vehicles	Roads and bridges	Water and Sewer	Parks and Waterways		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
COST										
Balance, beginning of year	18,219,583	12,956,235	1,501,894	17,779,343	6,535,264	38,236,588	21,690,281	1,076,325	6,589,073	124,584,586
Add: additions during the year	116,859	-	70,191	1,398,784	1,140,233	10,571,323	672,982	756,282	(3,862,764)	10,863,890
Less: disposals during the year	20,882	-	429,615	360,757	36,686	750,167	158,666	-	-	1,756,773
Asset retirement obligation	-	14,562	-	-	-	-	-	-	915	15,477
Balance, end of year	18,315,560	12,970,797	1,142,470	18,817,370	7,638,811	48,057,744	22,204,597	1,832,607	2,727,224	133,707,180
ACCUMULATED AMORTIZATION										
Balance, beginning of year	912,871	5,606,405	1,270,317	10,150,279	2,996,994	22,651,800	11,312,311	383,450	-	55,284,427
Add: additions during the year	62,006	294,262	49,316	673,834	432,550	1,164,941	444,635	29,981	-	3,151,525
Less: disposals during the year	12,885	-	428,751	256,112	33,290	719,153	149,951	-	-	1,600,142
Balance, end of year	961,992	5,900,667	890,882	10,568,001	3,396,254	23,097,588	11,606,995	413,431	-	56,835,810
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS										
	17,353,568	7,070,130	251,588	8,249,369	4,242,557	24,960,156	10,597,602	1,419,176	2,727,224	76,871,370

CORPORATION OF THE TOWNSHIP OF RAMARA

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

For the Year Ended December 31, 2024

	General Government \$	Protection Services \$	Transportation Services \$	Water and Sewer \$	Other Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues									
Property taxation	1,426,910	4,046,800	8,808,700	-	-	124,800	2,107,900	316,900	16,832,010
User charges	542,084	531,551	94,423	3,140,653	59,221	113	137,152	209,703	4,714,900
Government transfers - operating	1,129,000	6,994	15,070	-	-	-	30,372	9,750	1,191,186
Government transfers - capital	-	-	454,125	-	-	-	29,250	-	483,375
Other municipalities	1,458	40,721	-	-	-	-	48,197	-	90,376
Penalties and interest on taxes	418,717	-	-	-	-	-	-	-	418,717
Investment income	1,609,122	112	-	42,551	-	-	52,060	-	1,703,845
Sale of land and other sales	-	-	2,314	-	-	-	-	1,449,084	1,451,398
Capital contributions	-	-	-	3,895	-	-	-	-	3,895
Canada Community-Building Fund earned	-	-	690,000	50,000	-	-	-	-	740,000
Other	2,455	348,294	5,798	-	-	5,888	8,483	-	370,918
Total revenues	5,129,746	4,974,472	10,070,430	3,237,099	59,221	130,801	2,413,414	1,985,437	28,000,620
Expenses									
Salaries and benefits	1,883,257	1,959,756	1,765,809	151,039	182	-	938,230	252,550	6,950,823
Interest charges	109,524	-	-	232,773	-	-	-	-	342,297
Materials	347,156	359,870	1,504,858	394,944	-	14,328	211,370	14,397	2,846,923
Contracted services	531,861	2,193,645	1,427,431	3,876,157	-	11,398	531,717	244,194	8,816,403
Rents and financial	11,214	549	81	10	-	-	410	-	12,264
External transfers	8,100	80,189	-	-	-	105,000	-	-	193,289
Amortization	134,700	415,133	1,543,719	838,166	-	6,551	213,256	-	3,151,525
Loss (gain) on disposal of tangible capital assets	11,096	(4,504)	60,393	27,946	-	-	-	-	94,931
Internal transfers	132,556	(8,456)	-	-	-	-	(124,100)	-	-
Cost of sale of land	-	-	-	-	-	-	-	841,228	841,228
Total expenses	3,169,464	4,996,182	6,302,291	5,521,035	182	137,277	1,770,883	1,352,369	23,249,683
Net surplus/(deficit)	1,960,282	(21,710)	3,768,139	(2,283,936)	59,039	(6,476)	642,531	633,068	4,750,937

CORPORATION OF THE TOWNSHIP OF RAMARA

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

	General Government \$	Protection Services \$	Transportation Services \$	Water and Sewer \$	Other Environmental Services \$	Health Services \$	Recreation and Cultural Services \$	Planning and Development \$	Consolidated \$
Revenues									
Property taxation	1,299,843	4,284,200	7,440,900	-	-	97,000	2,070,700	290,200	15,482,843
User charges	471,967	567,417	106,359	2,945,907	57,880	226	141,276	250,209	4,541,241
Government transfers - operating	1,179,719	21,312	2,986	-	-	-	84,427	27,242	1,315,686
Government transfers - capital	-	-	1,061,854	-	-	-	150,000	-	1,211,854
Other municipalities	-	20,750	-	-	-	-	6,666	-	27,416
Penalties and interest on taxes	353,773	-	-	-	-	-	-	-	353,773
Investment income	491,961	449	-	48,532	-	-	51,244	-	592,186
Sale of land and other sales	-	-	3,494	-	-	-	-	247,976	251,470
Capital contributions	-	-	-	1,947	-	-	-	-	1,947
Canada Community-Building Fund earned	-	-	223,900	-	-	-	-	-	223,900
Other	2,034	333,656	67,012	-	-	5,926	36,118	-	444,746
Total revenues	3,799,297	5,227,784	8,906,505	2,996,386	57,880	103,152	2,540,431	815,627	24,447,062
Expenses									
Salaries and benefits	2,007,101	1,852,643	1,839,332	111,417	498	-	874,564	271,516	6,957,071
Interest charges	113,540	-	-	243,140	-	-	-	-	356,680
Materials	308,824	340,296	1,368,854	305,436	-	23,776	241,200	8,196	2,596,582
Contracted services	398,778	1,991,601	1,358,936	2,167,123	-	57,605	718,181	372,678	7,064,902
Rents and financial	22,810	549	3,793	195	-	-	10,406	-	37,753
External transfers	44,700	76,870	-	-	-	100,000	-	-	221,570
Amortization	131,530	363,845	1,392,350	868,832	-	20,967	209,814	-	2,987,338
Loss (gain) on disposal of tangible capital assets	-	(7,756)	81,074	1,300	-	-	102,193	-	176,811
Internal transfers	107,200	-	-	-	-	-	(107,200)	-	-
Cost of sale of land	-	-	-	-	-	-	-	83,993	83,993
Total expenses	3,134,483	4,618,048	6,044,339	3,697,443	498	202,348	2,049,158	736,383	20,482,700
Net surplus/(deficit)	664,814	609,736	2,862,166	(701,057)	57,382	(99,196)	491,273	79,244	3,964,362

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Ramara

Opinion

We have audited the financial statements of the Trust Fund of the Corporation of the Township of Ramara (the Trust Fund), which comprise the statement of financial position as at December 31, 2024, the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trust Fund as at December 31, 2024, and the continuity of the Trust Fund 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 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 Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust Fund or to cease operations, or has no realistic alternative but to do so.

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

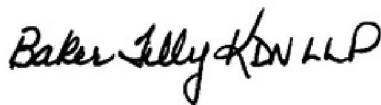
Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 30, 2025

CORPORATION OF THE TOWNSHIP OF RAMARA

TRUST FUND STATEMENT OF FINANCIAL POSITION At December 31, 2024

	2024 Cemetery Care and Maintenance \$	2023 Cemetery Care and Maintenance \$
FINANCIAL ASSETS		
Investment (note 2)	18,786	17,707
FUND BALANCE	18,786	17,707

TRUST FUND STATEMENT OF CONTINUITY For the Year Ended December 31, 2024

	2024 Cemetery Care and Maintenance \$	2023 Cemetery Care and Maintenance \$
BALANCE - beginning of year	17,707	16,755
RECEIPTS		
Capital dividends	454	224
Investment value adjustment	625	728
	1,079	952
BALANCE - end of year	18,786	17,707

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

TRUST FUND NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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

(b) Use of Estimates

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

2. INVESTMENT

The trust's investment consists of a mutual fund with Scotia Partners Income Portfolio, recorded at fair value.

3. CARE AND MAINTENANCE FUNDS

The figures reported for the cemetery care and maintenance represent the trust fund activities for the Sebright Cemetery.

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

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD

FINANCIAL STATEMENTS

DECEMBER 31, 2024

Baker Tilly KDN LLP
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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of the Ramara Township Public Library Board, the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Ramara

We have reviewed the accompanying financial statements of the Ramara Township Public Library Board of the Corporation of the Township of Ramara (the Board), that comprise the statement of financial position as at December 31, 2024 and the statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Practitioner's Responsibility

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

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

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

Basis for Qualified Conclusion

In common with many Public Library Boards, the Board derives revenue from donations, fees and other, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purposes of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the Board. Therefore, we were unable to determine whether any adjustments might have been found necessary with respect to donations, fees and other revenue, annual surplus/(deficit) and cash flows from operations for the years ended December 31, 2024 and 2023, and assets and accumulated surplus as at December 31, 2024 and 2023. Our conclusion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this scope limitation.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Board as at December 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 30, 2025

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD STATEMENT OF FINANCIAL POSITION At December 31, 2024

	2024 \$	2023 \$
FINANCIAL ASSETS		
Cash	217,589	211,040
Accounts receivable	3,446	3,502
TOTAL FINANCIAL ASSETS	221,035	214,542
LIABILITIES		
Accounts payable	-	117
Due to the Township of Ramara (note 4)	47,979	42,923
TOTAL LIABILITIES	47,979	43,040
NET FINANCIAL ASSETS	173,056	171,502
NON-FINANCIAL ASSETS		
Tangible capital assets (note 2)	73,784	75,445
Prepaid expenses	425	725
TOTAL NON-FINANCIAL ASSETS	74,209	76,170
ACCUMULATED SURPLUS (note 3)	247,265	247,672

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS For the Year Ended December 31, 2024

	Budget 2024 \$ (note 5)	Actual 2024 \$	Actual 2023 \$
REVENUES			
Township contribution (note 4)	446,400	437,242	445,386
Provincial grants	24,400	24,370	24,370
Federal grant	-	-	20,340
Investment income	4,000	12,493	13,094
Other grants	1,000	-	6,865
Donations, fees and other	5,000	11,881	11,294
TOTAL REVENUES	480,800	485,986	521,349
EXPENSES			
Wages and benefits	372,400	375,904	370,583
Rent (note 4)	55,200	55,200	54,100
Administration	13,000	16,399	20,722
Supplies	5,000	6,416	6,432
Memberships	2,000	2,398	2,068
Insurance (note 4)	10,000	8,976	9,175
Telephone	2,300	1,562	4,339
Amortization	25,209	19,538	25,209
TOTAL EXPENSES	485,109	486,393	492,628
ANNUAL SURPLUS/(DEFICIT)	<u>(4,309)</u>	(407)	28,721
ACCUMULATED SURPLUS - beginning of year		247,672	218,951
ACCUMULATED SURPLUS - end of year		247,265	247,672

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2024

	Budget 2024 \$ (note 5)	Actual 2024 \$	Actual 2023 \$
ANNUAL SURPLUS/(DEFICIT)	(4,309)	(407)	28,721
Amortization of tangible capital assets	25,209	19,538	25,209
Acquisition of tangible capital assets	(20,900)	(17,877)	(22,921)
Change in prepaid expenses	-	300	(725)
INCREASE IN NET FINANCIAL ASSETS	-	1,554	30,284
NET FINANCIAL ASSETS - beginning of year	171,502	171,502	141,218
NET FINANCIAL ASSETS - end of year	171,502	173,056	171,502

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD STATEMENT OF CASH FLOWS For the Year Ended December 31, 2024

	2024 \$	2023 \$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus/(deficit)	(407)	28,721
Items not involving cash		
Amortization of tangible capital assets	19,538	25,209
Change in non-cash assets and liabilities		
Accounts receivable	56	(431)
Prepaid expenses	300	(725)
Accounts payable	(117)	117
Due to the Township of Ramara	5,056	(51,800)
Net change in cash from operating activities	24,426	1,091
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(17,877)	(22,921)
NET CHANGE IN CASH	6,549	(21,830)
CASH - beginning of year	211,040	232,870
CASH - end of year	217,589	211,040

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Recognition of Revenue and Expenses

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

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

Donations, fees and other are recognized when the amounts are received.

(b) Use of Estimates

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

- Amortization of tangible capital assets is based on estimated useful life and residual value - See Note 1(c)

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, as well as legally or contractually required retirement activities. When historical cost records were not available, other methods were used to estimate costs. The cost, less residual value, if any, is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Building improvements	20-60 years
Furniture and equipment	5-10 years
Library collection	7 years

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

(d) Non-Financial Assets

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

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Financial Instruments

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

Financial Instrument	Measurement Method
Cash	Amortized Cost
Accounts receivable	Amortized Cost
Accounts payable	Amortized Cost
Due to the Township of Ramara	Amortized Cost

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

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

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

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

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

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(f) Reserves and Reserve Funds

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

(g) Inter-Entity Transactions

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

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

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

2. TANGIBLE CAPITAL ASSETS

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

	Building Improvements \$	Furniture and Equipment \$	Library Collection \$	2024 Totals \$	2023 Totals \$
COST					
Balance, beginning of year	67,088	125,178	133,949	326,215	332,831
Add: additions during the year	-	5,007	12,870	17,877	22,921
Less: disposals during the year	-	67,669	-	67,669	29,537
Balance, end of year	67,088	62,516	146,819	276,423	326,215
ACCUMULATED AMORTIZATION					
Balance, beginning of year	67,088	103,636	80,046	250,770	255,098
Add: additions during the year	-	5,333	14,205	19,538	25,209
Less: disposals during the year	-	67,669	-	67,669	29,537
Balance, end of year	67,088	41,300	94,251	202,639	250,770
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	-	21,216	52,568	73,784	75,445

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

3. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2024 \$	2023 \$
Invested In Capital Assets		
Tangible capital assets - net book value	73,784	75,445
Reserve		
Future capital expenditures	128,743	124,587
Reserve Fund		
Expansion	44,738	47,640
	247,265	247,672

4. INTER-ENTITY TRANSACTIONS

During the year, the Board entered into transactions with the Township of Ramara.

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

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

	2024 \$	2023 \$
Allocated costs:		
Rent	55,200	54,100
Insurance	8,976	9,175
	64,176	63,275

In addition, the following services are provided to the Board by the Township at no cost:

- Accounting and administrative services
- Professional services

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

CORPORATION OF THE TOWNSHIP OF RAMARA

RAMARA TOWNSHIP PUBLIC LIBRARY BOARD NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

5. BUDGET FIGURES

The budget, approved by the Board differs from the budget reflected on the Statement of Operations and Accumulated Surplus as the approved budget has been adjusted to comply with PSA reporting requirements.

The following is a reconciliation of Board's approved budget to the annual surplus/(deficit):

	2024 \$
Board approved budgeted surplus	-
Tangible capital asset additions	20,900
Amortization of tangible capital assets	(25,209)
Annual surplus/(deficit) reported on the Statement of Operations	(4,309)

6. FINANCIAL INSTRUMENTS

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

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

7. CHANGES IN ACCOUNTING POLICIES

The Board has implemented the following sections and guidelines which are now effective under the PSA Handbook: 3160 Public Private Partnerships, 3400 Revenue, and PSG-8 Purchased Intangibles.

Section 3160 establishes standards on accounting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. The adoption of this standard did not have an impact on the Board's financial statements.

Section 3400 establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as 'exchange transactions', and transactions that do not have performance obligations, referred to as 'non-exchange transactions'. The adoption of this standard did not have an impact on the Board's financial statements.

Under PSG-8, an entity may recognize purchased intangibles as an asset in its consolidated financial statements if the intangible meets the asset definition and the general recognition criteria. The adoption of this standard did not have an impact on the Board's financial statements.

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS

FINANCIAL STATEMENTS

DECEMBER 31, 2024

Baker Tilly KDN LLP

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INDEPENDENT AUDITOR'S REPORT

**To the Members of the Lagoon City Parks & Waterways, the
Members of Council, Inhabitants and Ratepayers of the
Corporation of the Township of Ramara**

Opinion

We have audited the financial statements of the Lagoon City Parks & Waterways of the Corporation of the Township of Ramara (the Board), which comprise the statement of financial position as at December 31, 2024, the statements of operations and accumulated surplus, 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 financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2024, and the results of its operations and 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 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 ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 Board 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.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 30, 2025

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS STATEMENT OF FINANCIAL POSITION At December 31, 2024

	2024 \$	2023 \$
FINANCIAL ASSETS		
Cash	100	100
Due from the Township of Ramara (note 6)	573,147	707,916
NET FINANCIAL ASSETS	573,247	708,016
NON-FINANCIAL ASSETS		
Tangible capital assets (note 2)	2,409,536	1,847,601
ACCUMULATED SURPLUS (note 3)	2,982,783	2,555,617

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2024

	Budget 2024 \$ (note 5)	Actual 2024 \$	Actual 2023 \$
REVENUES			
Levy billed by the Township of Ramara (note 6)	1,111,100	1,100,592	1,074,536
Interest income	7,000	34,126	33,940
Other	600	203	3,896
TOTAL REVENUES	1,118,700	1,134,921	1,112,372
EXPENSES			
Wages and benefits (note 6)	158,100	184,293	148,556
General and office	52,700	53,690	46,113
Repairs and maintenance	267,000	319,832	569,103
Insurance (note 6)	25,000	20,894	21,637
Professional fees	22,500	21,237	1,841
Amortization	96,951	107,809	96,951
Loss on disposal of tangible capital assets	-	-	95,082
TOTAL EXPENSES	622,251	707,755	979,283
ANNUAL SURPLUS	<u>496,449</u>	427,166	133,089
ACCUMULATED SURPLUS - beginning of year		2,555,617	2,422,528
ACCUMULATED SURPLUS - end of year		2,982,783	2,555,617

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS STATEMENT OF CHANGE IN NET FINANCIAL ASSETS For the Year Ended December 31, 2024

	Budget 2024 \$ (note 5)	Actual 2024 \$	Actual 2023 \$
ANNUAL SURPLUS	496,449	427,166	133,089
Amortization of tangible capital assets	96,951	107,809	96,951
Acquisition of tangible capital assets	(1,065,000)	(669,744)	(669,754)
Loss on disposal of tangible capital assets	-	-	95,082
DECREASE IN NET FINANCIAL ASSETS	(471,600)	(134,769)	(344,632)
NET FINANCIAL ASSETS - beginning of year	708,016	708,016	1,052,648
NET FINANCIAL ASSETS - end of year	236,416	573,247	708,016

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS STATEMENT OF CASH FLOWS For the Year Ended December 31, 2024

	2024 \$	2023 \$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	427,166	133,089
Items not involving cash		
Amortization of tangible capital assets	107,809	96,951
Loss on disposal of tangible capital assets	-	95,082
Change in non-cash assets and liabilities		
Due from the Township of Ramara	134,769	344,632
Net change in cash from operating activities	669,744	669,754
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(669,744)	(669,754)
NET CHANGE IN CASH	-	-
CASH - beginning of year	100	100
CASH - end of year	100	100

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Recognition of Revenue and Expenses

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

The Board recognizes Lagoon City Parks & Waterways Area tax levy revenue annually based on amounts levied by the Township of Ramara.

Interest and other revenue are recorded when the amounts are earned.

(b) Use of Estimates

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

- Amortization of tangible capital assets is based on estimated useful life and residual value - See Note 1(c)

(c) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, as well as legally or contractually required retirement activities. When historical cost records were not available, other methods were used to estimate costs. The cost, less residual value, if any, is amortized on a straight-line basis, over the expected useful life of the asset, as follows:

Buildings and structures	25 years
Vehicles	10-15 years
Machinery and equipment	10-20 years
Linear assets	20 years

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

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

(d) Non-Financial Assets

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

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Financial Instruments

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

Financial Instrument	Measurement Method
Cash	Amortized Cost
Due from the Township of Ramara	Amortized Cost

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

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

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

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

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

(f) Reserve Funds

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

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(g) Inter-Entity Transactions

The Lagoon City Parks & Waterways is a Board of the Township of Ramara and is consolidated with the Township's financial statements.

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

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

2. TANGIBLE CAPITAL ASSETS

The continuity of the Board's tangible capital assets is as follows:

	Buildings and structures \$	Vehicles \$	Machinery and equipment \$	Linear assets \$	Assets under construction \$	2024 Totals \$	2023 Totals \$
COST							
Balance, beginning of year	51,106	98,304	1,641,095	584,767	128,068	2,503,340	2,006,742
Add: additions during the year	-	-	27,101	621,026	21,617	669,744	669,754
Less: disposals during the year	-	-	-	-	-	-	173,156
Balance, end of year	51,106	98,304	1,668,196	1,205,793	149,685	3,173,084	2,503,340
ACCUMULATED AMORTIZATION							
Balance, beginning of year	51,106	12,332	425,796	166,505	-	655,739	636,862
Add: additions during the year	-	10,237	78,498	19,074	-	107,809	96,951
Less: disposals during the year	-	-	-	-	-	-	78,074
Balance, end of year	51,106	22,569	504,294	185,579	-	763,548	655,739
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	-	75,735	1,163,902	1,020,214	149,685	2,409,536	1,847,601

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

3. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2024	2023
	\$	\$
Invested In Capital Assets		
Tangible capital assets - net book value	2,409,536	1,847,601
Reserve Fund		
Reserve Fund	573,247	708,016
	2,982,783	2,555,617

4. FINANCIAL INSTRUMENTS

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

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

5. BUDGET FIGURES

The budget, approved by the Board differs from the budget reflected on the Statement of Operations and Accumulated Surplus as the approved budget has been adjusted to comply with PSA reporting requirements.

The following is a reconciliation of Board's approved budget to the annual surplus:

	2024
	\$
Board approved budgeted surplus	-
Tangible capital asset additions	1,065,000
Amortization of tangible capital assets	(96,951)
Transfers to/(from) reserves and reserve funds	(471,600)
Annual surplus reported on the Statement of Operations	496,449

CORPORATION OF THE TOWNSHIP OF RAMARA

LAGOON CITY PARKS & WATERWAYS NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2024

6. INTER-ENTITY TRANSACTIONS

During the year, the Board entered into transactions with the Township of Ramara.

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

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

	2024	2023
	\$	\$
Allocated costs:		
Wages and benefits	184,293	148,556
Insurance	20,894	21,637
	205,187	170,193

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

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

7. CONTINGENT LIABILITIES

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

8. CHANGE IN ACCOUNTING POLICY

The Board has implemented the following sections and guidelines which are now effective under the PSA Handbook: 3160 Public Private Partnerships, 3400 Revenue, and PSG-8 Purchased Intangibles.

Section 3160 establishes standards on accounting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. The adoption of this standard did not have an impact on the Board's financial statements.

Section 3400 establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations, referred to as 'exchange transactions', and transactions that do not have performance obligations, referred to as 'non-exchange transactions'. The adoption of this standard did not have an impact on the Board's financial statements.

Under PSG-8, an entity may recognize purchased intangibles as an asset in its consolidated financial statements if the intangible meets the asset definition and the general recognition criteria. The adoption of this standard did not have an impact on the Board's financial statements.