CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

bakertilly

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DECEMBER 31, 2024

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Township of Douro-Dummer
894 South Street
PO Box 92
Warsaw ON K0L 3A0

www.dourodummer.ca

Administration Department

Todd Davis
Chief Administrative Officer
Ph 705-652-8392 Ext. 206
F 705-652-5044
tdavis@dourodummer.ca

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

For The Year Ended December 31, 2024

MANAGEMENT REPORT

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

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

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

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

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

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

Mayor

Treasurer

August 4, 2026

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

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

www.bakertilly.ca

INDEPENDENT AUDITOR'S REPORT

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

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Township as at December 31, 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.

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.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
August 12, 2026

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CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At December 31, 2024

	2024 $	2023 $
FINANCIAL ASSETS		
Cash	4,454,831	3,450,915
Investments (note 3)	4,279,532	4,068,475
Accounts receivable	266,483	595,454
Taxes receivable	1,049,262	829,874
Land held for resale	83,487	83,487
TOTAL FINANCIAL ASSETS	10,133,595	9,028,205
LIABILITIES		
Accounts payable	1,077,440	902,289
Deferred revenue - obligatory reserve funds (note 4)	759,523	1,074,705
Deferred revenue - other (note 5)	729,003	16,189
Asset retirement obligations (note 6)	516,250	535,250
Employee future benefits (note 7)	130,097	132,167
TOTAL LIABILITIES	3,212,313	2,660,600
NET FINANCIAL ASSETS	6,921,282	6,367,605
NON-FINANCIAL ASSETS		
Tangible capital assets (note 8)	30,123,181	29,817,641
Prepaid expenses	40,521	30,065
Inventories of materials and supplies	295,265	318,479
TOTAL NON-FINANCIAL ASSETS	30,458,967	30,166,185
	37,380,249	36,533,790
Comprised of:		
Accumulated surplus (note 9)	37,419,059	36,584,273
Accumulated remeasurement gains/(losses)	(38,810)	(50,483)
	37,380,249	36,533,790

The accompanying notes are an integral part of these financial statements

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
For the Year Ended December 31, 2024

	Budget 2024 $ (note 17)	Actual 2024 $	Actual 2023 $
REVENUES			
Property taxation	6,914,916	6,934,818	6,390,536
User charges	1,224,433	1,307,929	1,305,694
Government of Canada	36,464	15,149	105,287
Province of Ontario	831,432	854,755	1,041,143
Other municipalities	80,400	21,880	186,009
Penalty and interest on taxes	120,000	155,826	141,363
Investment income	175,100	436,412	308,248
Donations	281	6,862	482
Sale of publications, equipment, etc.	-	-	1,157
Development charges earned (note 4)	-	14,575	122,499
Parkland fees earned (note 4)	20,000	18,413	-
Canada Community-Building Fund earned (note 4)	621,353	638,982	313,897
TOTAL REVENUES	10,024,379	10,405,601	9,916,315
EXPENSES			
General government	1,505,155	1,726,742	1,578,185
Protection services	2,709,764	2,621,012	2,573,470
Transportation services	2,998,458	2,894,003	2,885,054
Environmental services	350,019	345,128	363,437
Health services	4,977	1,695	1,444
Recreation and cultural services	1,315,552	1,302,650	1,145,390
Planning and development	209,538	154,572	136,871
Change in landfill liability	-	-	(144,000)
TOTAL EXPENSES	9,093,463	9,045,802	8,539,851
ANNUAL SURPLUS	930,916	1,359,799	1,376,464
ACCUMULATED SURPLUS - beginning of year		36,584,273	35,669,809
ADJUSTMENT ON ADOPTION OF THE ASSET RETIREMENT OBLIGATION STANDARD		-	(462,000)
ADJUSTMENT ON ADOPTION OF THE REVENUE RECOGNITION STANDARD (note 16)		(525,013)	-
ACCUMULATED SURPLUS - beginning of year, as restated		36,059,260	35,207,809
ACCUMULATED SURPLUS - end of year		37,419,059	36,584,273

The accompanying notes are an integral part of these financial statements

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CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND (LOSSES)
For the Year Ended December 31, 2024

	2024 $	2023 $
ACCUMULATED REMEASUREMENT GAINS AND (LOSSES) - beginning of year	(50,483)	-
Adjustment on adoption of the financial instruments standard	-	(61,329)
Unrealized gain/(loss) on portfolio investments during the year	11,673	10,846
ACCUMULATED REMEASUREMENT GAINS AND (LOSSES) - end of year	(38,810)	(50,483)

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2024

	Budget 2024 $ (note 17)	Actual 2024 $	Actual 2023 $
ANNUAL SURPLUS	930,916	1,359,799	1,376,464
Amortization of tangible capital assets	1,788,070	1,730,746	1,788,070
Purchase of tangible capital assets	(2,435,764)	(2,036,900)	(2,869,201)
Loss/(gain) on disposal of tangible capital assets	-	614	(32,873)
Proceeds on sale of tangible capital assets	-	-	32,873
Change in prepaid expenses	-	(10,456)	(10,351)
Change in inventories of materials and supplies	-	23,214	(55,849)
INCREASE IN NET FINANCIAL ASSETS BEFORE CHANGE IN REMEASUREMENT GAINS AND (LOSSES)	283,222	1,067,017	229,133
NET FINANCIAL ASSETS - beginning of year	6,367,605	6,367,605	6,741,205
ADJUSTMENT ON ADOPTION OF THE ASSET RETIREMENT OBLIGATION STANDARD	-	-	(552,250)
ADJUSTMENT ON ADOPTION OF THE FINANCIAL INSTRUMENTS STANDARD	-	-	(61,329)
ADJUSTMENT ON ADOPTION OF THE REVENUE RECOGNITION STANDARD (note 16)	-	(525,013)	-
NET FINANCIAL ASSETS - beginning of year, as restated	6,367,605	5,842,592	6,127,626
CHANGE IN REMEASUREMENT GAINS AND (LOSSES)	-	11,673	10,846
NET FINANCIAL ASSETS - end of year	6,650,827	6,921,282	6,367,605

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024

	2024 $	2023 $
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus	1,359,799	1,376,464
Items not affecting cash		
Amortization of tangible capital assets	1,730,746	1,788,070
Loss/(gain) on disposal of tangible capital assets	614	(32,873)
Accretion expense	16,369	39,000
Change in landfill closure and post-closure liability	-	(144,000)
Change in employee future benefits	(2,070)	(3,169)
Change in non-cash assets and liabilities		
Accounts receivable	328,971	352,329
Taxes receivable	(219,388)	(23,213)
Prepaid expenses	(10,456)	(10,351)
Inventories of materials and supplies	23,214	(55,849)
Accounts payable	175,151	21,290
Deferred revenue - obligatory reserve funds	(315,182)	5,923
Deferred revenue - other	187,801	-
Asset retirement obligations	(35,369)	(56,000)
Net change in cash from operating activities	3,240,200	3,257,621
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(2,036,900)	(2,869,201)
Proceeds on disposal of tangible capital assets	-	32,873
Net change in cash from capital activities	(2,036,900)	(2,836,328)
INVESTING ACTIVITIES		
Purchase of investments	(1,561,274)	(1,599,585)
Disposal of investments	1,361,890	1,500,000
Net change in cash from investing activities	(199,384)	(99,585)
NET CHANGE IN CASH	1,003,916	321,708
CASH - beginning of year	3,450,915	3,129,207
CASH - end of year	4,454,831	3,450,915

The accompanying notes are an integral part of these financial statements

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

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Reporting Entity

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

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

- Douro-Dummer Public Library

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

(b) Trust funds

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

(c) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, 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	20 to 25 years
Buildings and building improvement	10 to 50 years
Machinery and equipment	5 to 40 years
Vehicles	5 to 30 years
Computers and computer software	5 years
Roads and bridges	10 to 50 years

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

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

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Recognition of Revenues and Expenses

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

Property taxation

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

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

Government funding and other grants

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

Other revenue

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

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

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

(e) Non-financial assets

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

(f) Reserves and reserve funds

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

(g) Deferred revenue

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

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(h) Use of estimates

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

- The 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(j) 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)
- Employee future amounts payable depend on certain actuarial and economic assumptions
- Allowance for doubtful accounts receivable is based in management's estimate of future collectibility

(i) Inventory

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

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

(j) Asset Retirement Obligation

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

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

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

The liability for landfill sites 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).

The liability for asbestos removal has not been discounted using a present value calculation due to the uncertainty of when the future costs will be incurred. The recognition of the initial 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).

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(k) Financial Instruments

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

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

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

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

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

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

2. OPERATIONS OF SCHOOL BOARDS AND THE COUNTY OF PETERBOROUGH

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

	School Boards $	County $
Amounts requisitioned and remitted	2,609,896	6,515,248

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

3. INVESTMENTS

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

	Level (note 1(k))	2024 $	2023 $
Held at amortized cost			
Cash held in investment accounts		376,100	106,364
GICs - interest ranging from 1.87% to 5.5%, maturing July 2025 to December 2028		3,366,944	-
GICs - interest ranging from 0.85% to 5.5%, maturing March 2024 to December 2028		-	3,450,454
		3,743,044	3,556,818
Held at fair value			
One Fund - bond fund	1	536,488	511,657
		4,279,532	4,068,475

Book cost of One fund - bond fund is $575,298 at December 31, 2024 (2023 - $572,273).

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

4. 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 $
Parkland	55,364	51,277
Development charges	207,438	171,230
Canada Community-Building Fund	496,721	852,198
	759,523	1,074,705

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

	2024 $	2023 $
Balance - beginning of year	1,074,705	1,068,782
Add amounts received:		
Development charges	50,783	124,484
Parkland fees	22,500	31,250
Canada Community-Building Fund	243,266	236,177
Interest	40,239	50,408
	356,788	442,319
Less transfer to operations:		
Development charges earned	14,575	122,499
Parkland fees earned	18,413	-
Canada Community-Building Fund earned	638,982	313,897
	671,970	436,396
Balance - end of year	759,523	1,074,705

5. DEFERRED REVENUE - OTHER

Included in deferred revenue - other are the following amounts:

	2024 $	2023 $
Building permits	688,767	-
Ontario Cannabis Legalization Implementation Fund	5,000	5,000
Ice and floor rentals	33,236	9,189
Other	2,000	2,000
	729,003	16,189

The continuity of deferred revenue - other is as follows:

	2024 $	2023 $
Balance - beginning of year	16,189	16,189
Adjustment to opening balance (note 16)	525,013	-
Add amounts received:		
Building permit fees collected	701,147	-
Ice and floor rentals	33,236	-
	734,383	-
Less transfer to operations:		
Building permit fees recognized	537,393	-
Ice and floor rentals	9,189	-
	546,582	-
Balance - end of year	729,003	16,189

6. ASSET RETIREMENT OBLIGATION

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

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

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

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

Asset Retirement Obligation	Landfill obligation $	Asbestos removal $	Total 2024 $	Total 2023 $
Opening balance	445,000	90,250	535,250	-
Adjustment on adoption of the asset retirement obligation standard	-	-	-	552,250
Opening balance, as restated	445,000	90,250	535,250	552,250
Remediation costs incurred	(35,369)	-	(35,369)	(56,000)
Accretion expense	16,369	-	16,369	39,000
Closing balance	426,000	90,250	516,250	535,250

7. EMPLOYEE FUTURE AMOUNTS PAYABLE

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

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

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

	2024 $	2023 $
Accrued benefit obligation at January 1	104,246	102,532
Unamortized actuarial gains	27,921	32,804
Liability at January 1	132,167	135,336
Current year benefit cost	2,617	2,491
Interest on accrued benefit obligation	5,203	5,093
Benefit payments	(5,007)	(5,870)
Amortization of actuarial gains	(4,883)	(4,883)
Liability at December 31	130,097	132,167

8. TANGIBLE CAPITAL ASSETS

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

	2024 $	2023 $
General		
Land and land improvements	2,089,699	2,081,447
Buildings and building improvements	2,050,966	2,154,487
Machinery and equipment	2,149,949	1,673,670
Vehicles	2,737,467	2,958,433
Computers and computer software	7,893	9,982
Infrastructure		
Roads and bridges	20,584,584	20,027,104
	29,620,558	28,905,123
Assets under construction	502,623	912,518
	30,123,181	29,817,641

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).

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

	2024 $	2023 $
General government	1,156,277	1,151,972
Protection services	2,217,467	2,351,952
Transportation services	22,982,173	22,453,425
Environmental services	14,821	17,212
Health services	20,836	21,314
Recreation and cultural services	2,638,702	2,728,597
Planning and development	1,092,905	1,093,169
	30,123,181	29,817,641

9. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2024 $	2023 $
Surplus/(Deficit)		
Land held for resale	83,487	83,487
Unfunded employee future benefits	(130,097)	(132,167)
Unfunded operations	(12,593)	-
	(59,203)	(48,680)
Invested In Capital Assets		
Tangible capital assets - net book value	30,123,181	29,817,641
Unfunded asset retirement obligation	(516,250)	(535,250)
	29,606,931	29,282,391
Surplus	29,547,728	29,233,711
Reserves		
Working funds	1,727,389	1,866,190
Insurance	147,260	43,221
Post employment benefits	69,156	69,156
Future capital projects	5,342,258	4,644,658
Future operations	585,268	718,554
Total Reserves	7,871,331	7,341,779
Reserve Funds		
Future capital projects	-	8,783
	37,419,059	36,584,273

10. 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	3,663,207	3,524,837	3,443,565
Materials	1,916,100	1,940,788	1,898,274
Contracted services	1,580,976	1,684,545	1,424,880
Rents and financial	8,080	26,645	46,652
External transfers	137,030	137,627	115,283
Amortization	1,788,070	1,730,746	1,788,070
Change in landfill liability	-	-	(144,000)
Loss (gain) on disposal of tangible capital assets	-	614	(32,873)
	9,093,463	9,045,802	8,539,851

11. PENSION AGREEMENTS

Certain employees of the Township are eligible members of the Ontario Municipal Employees Retirement System (OMERS), a multi-employer pension plan. OMERS provides pension services to almost 640,000 active, inactive and retired members from over 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date.

The Actuarial Opinion contained in the 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 $440,608 (2023 - $433,742) of which $220,304 (2023 - $216,871) was contributed by employees.

12. TRUST FUNDS

Trust funds administered by the Township amounting to $41,477 (2023 - $41,592) 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.

13. COMPARATIVE FIGURES

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

14. 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.

15. FINANCIAL INSTRUMENTS

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

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

(a) Interest rate risk

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

(b) Credit risk

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

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

(c) Market risk

The Township is exposed to certain market risks related to investments including changes in pricing which are beyond the control of the Township.

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

16. 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 $525,013 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.

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 PSA presented budget:

	2024 $
Council approved budgeted surplus	-
Tangible capital asset additions	2,435,764
Amortization of tangible capital assets	(1,788,070)
Transfers to/(from) reserves and reserve funds	283,222
Annual budgeted surplus reported on the Consolidated Statement of Operations	930,916

18. SEGMENTED INFORMATION

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

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

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

General Government

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

Protection Services

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

Transportation Services

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

Environmental Services

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

Health Services

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

Recreation and Cultural Services

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

Planning and Development

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

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

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

	General					Infrastructure		
	Land and land improvements $	Buildings and building improvements $	Machinery and Equipment $	Vehicles $	Computers and computer software $	Roads and Bridges $	Assets Under Construction $	Totals $
COST								
Balance, beginning of year	2,516,138	5,894,055	4,083,489	5,891,831	266,683	35,257,168	912,518	54,821,882
Add: additions during the year	-	20,712	696,995	91,606	-	1,145,751	81,836	2,036,900
Less: disposals during the year	-	-	37,075	-	-	38,137	-	75,212
Transfers	51,239	-	-	-	-	440,492	(491,731)	-
Balance, end of year	2,567,377	5,914,767	4,743,409	5,983,437	266,683	36,805,274	502,623	56,783,570
ACCUMULATED AMORTIZATION								
Balance, beginning of year	434,691	3,739,568	2,409,819	2,933,398	256,701	15,230,064	-	25,004,241
Add: additions during the year	42,987	124,233	220,102	312,572	2,089	1,028,763	-	1,730,746
Less: disposals during the year	-	-	36,461	-	-	38,137	-	74,598
Balance, end of year	477,678	3,863,801	2,593,460	3,245,970	258,790	16,220,690	-	26,660,389
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	2,089,699	2,050,966	2,149,949	2,737,467	7,893	20,584,584	502,623	30,123,181

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE
For the Year Ended December 31, 2024

	General Government $	Protection Services $	Transportation Services $	Environmental Services $	Health Services $	Recreation and Cultural Services $	Planning and Development $	Consolidated $
Revenues								
Property taxation	1,612,113	1,309,734	2,878,493	225,564	-	778,666	130,248	6,934,818
User charges	25,970	620,347	33,525	183,249	-	398,357	46,481	1,307,929
Government transfers - operating	590,802	19,642	53,619	-	-	31,140	-	695,203
Government transfers - capital	-	-	164,156	-	-	10,545	-	174,701
Other municipalities	-	-	21,880	-	-	-	-	21,880
Penalty and interest on taxes	155,826	-	-	-	-	-	-	155,826
Investment income	401,057	-	-	-	-	35,355	-	436,412
Donations	145	6,298	-	-	-	419	-	6,862
Development charges earned	14,575	-	-	-	-	-	-	14,575
Parkland fees earned	-	-	-	-	-	18,413	-	18,413
Canada Community-Building Fund earned	-	-	638,982	-	-	-	-	638,982
Total revenues	2,800,488	1,956,021	3,790,655	408,813	-	1,272,895	176,729	10,405,601
Expenses								
Salaries and benefits	1,051,351	864,909	859,210	49,405	-	567,649	132,313	3,524,837
Materials	317,347	344,217	698,449	39,834	1,216	525,805	13,920	1,940,788
Contracted services	270,903	1,069,320	71,311	237,119	-	27,818	8,074	1,684,545
Rents and financial	10,266	-	-	16,379	-	-	-	26,645
External transfers	6,545	131,082	-	-	-	-	-	137,627
Amortization	69,716	211,484	1,265,033	2,391	479	181,378	265	1,730,746
Loss (gain) on disposal of tangible capital assets	614	-	-	-	-	-	-	614
Total expenses	1,726,742	2,621,012	2,894,003	345,128	1,695	1,302,650	154,572	9,045,802
Net surplus/(deficit)	1,073,746	(664,991)	896,652	63,685	(1,695)	(29,755)	22,157	1,359,799

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

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

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

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

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

www.bakertilly.ca

INDEPENDENT AUDITOR'S REPORT

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

Opinion
We have audited the financial statements of the Trust Funds of the Corporation of the Township of Douro-Dummer (the Trust Funds), which comprise the statement of financial position as at December 31, 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 Funds as at December 31, 2024, and the continuity of the Trust Funds for the year then ended in accordance with Canadian Public Sector Accounting Standards.

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

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

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

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

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

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

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

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

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
August 12, 2026

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CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

TRUST FUNDS
STATEMENT OF FINANCIAL POSITION
At December 31, 2024

	H. Sherry Scholarship $	Ontario Home Renewal Program $	Cemetery Perpetual Care $	Caldwell Charity Fund $	2024 Total $	2023 Total $
FINANCIAL ASSETS						
Cash	8,580	16,024	-	1,690	26,294	26,409
Loans receivable (note 2)	-	11,577	-	-	11,577	11,577
Due from Township	-	-	3,700	162	3,862	3,700
Due from Province	-	341	-	-	341	503
	8,580	27,942	3,700	1,852	42,074	42,189
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Due to Township	-	597	-	-	597	597
FUND BALANCES	8,580	27,345	3,700	1,852	41,477	41,592
	8,580	27,942	3,700	1,852	42,074	42,189

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

	H. Sherry Scholarship $	Ontario Home Renewal Program $	Cemetery Perpetual Care $	Caldwell Charity Fund $	2024 Total $	2023 Total $
BALANCES - beginning of year	8,695	27,345	3,700	1,852	41,592	41,660
RECEIPTS						
Interest earned	-	-	156	-	156	673
EXPENSES						
Transfer to Township	-	-	156	-	156	626
Administration fees	115	-	-	-	115	115
	115	-	156	-	271	741
BALANCES - end of year	8,580	27,345	3,700	1,852	41,477	41,592

The accompanying notes are an integral part of these financial statements

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1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of accounting

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

(b) Use of estimates

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

2. ONTARIO HOME RENEWAL PROGRAM LOANS

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

Ontario Home Renewal Program loans receivable at December 31, 2024 are comprised of repayable loans of $11,577 (2023 - $11,577).

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

3. CARE AND MAINTENANCE FUNDS

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

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY

FINANCIAL STATEMENTS

DECEMBER 31, 2024

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

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

www.bakertilly.ca

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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

We have reviewed the accompanying financial statements of the Douro-Dummer Public Library of the Corporation of the Township of Douro-Dummer (the Board), that comprise the statement of financial position as at December 31, 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.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Board as at December 31, 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
August 12, 2026

DOURO-DUMMER PUBLIC LIBRARY
STATEMENT OF FINANCIAL POSITION
At December 31, 2024

	2024 $	2023 $
FINANCIAL ASSETS		
Cash	82,753	66,212
Accounts receivable	363	438
Due from Township (note 2)	92,025	97,959
NET FINANCIAL ASSETS	175,141	164,609
NON-FINANCIAL ASSETS		
Tangible capital assets (note 3)	42,861	47,880
ACCUMULATED SURPLUS (note 4)	218,002	212,489

CORPORATION OF THE TOWNSHIP OF DOURO-DUMMER

DOURO-DUMMER PUBLIC LIBRARY
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
For the Year Ended December 31, 2024

	Budget 2024 $ (note 5)	Actual 2024 $	Actual 2023 $
REVENUES			
Municipal contributions			
Levy	155,957	155,957	145,085
Allocated costs (note 2)	-	-	23,933
Province of Ontario	14,000	18,293	25,936
User charges	1,076	1,082	1,064
TOTAL REVENUES	171,033	175,332	196,018
EXPENSES			
Salaries, wages and benefits	114,639	112,329	104,171
Subscriptions and videos	2,380	2,702	2,844
Supplies, materials and rentals	9,519	8,075	8,110
Public relations and advertising	1,835	1,344	1,140
Memberships, staff training and mileage	7,090	7,645	8,148
Utilities	11,600	11,110	12,181
Property maintenance and repairs	8,270	12,232	22,520
Contracted services	1,700	229	1,359
Amortization	13,890	14,153	13,890
Transfer of building to Township (note 2)	-	-	99,001
TOTAL EXPENSES	170,923	169,819	273,364
ANNUAL SURPLUS/(DEFICIT)	110	5,513	(77,346)
ACCUMULATED SURPLUS - beginning of year		212,489	289,835
ACCUMULATED SURPLUS - end of year		218,002	212,489

The accompanying notes are an integral part of these financial statements

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DOURO-DUMMER PUBLIC LIBRARY
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)	110	5,513	(77,346)
Amortization of tangible capital assets	13,890	14,153	13,890
Acquisition of tangible capital assets	(14,000)	(9,134)	(21,227)
Transfer of building to Township	-	-	99,001
INCREASE IN NET FINANCIAL ASSETS	-	10,532	14,318
NET FINANCIAL ASSETS - beginning of year	164,609	164,609	150,291
NET FINANCIAL ASSETS - end of year	164,609	175,141	164,609

DOURO-DUMMER PUBLIC LIBRARY
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024

	2024 $	2023 $
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Annual surplus/(deficit)	5,513	(77,346)
Items not involving cash		
Amortization of tangible capital assets	14,153	13,890
Transfer of building to Township	-	99,001
Change in non-cash assets and liabilities		
Accounts receivable	75	853
Due from Township	5,934	8,070
Net change in cash from operating activities	25,675	44,468
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(9,134)	(21,227)
NET CHANGE IN CASH	16,541	23,241
CASH - beginning of year	66,212	42,971
CASH - end of year	82,753	66,212

The accompanying notes are an integral part of these financial statements

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Recognition of revenue and expenses

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

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

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

(b) Use of estimates

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

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

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(c) Financial Instruments

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

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

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

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

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

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

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

1. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, 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 building improvement	15 to 50 years
Equipment and books	5 to 40 years
Computers	5 years

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

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

(e) Deferred revenue

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

(f) Non-financial assets

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

(g) Inter-entity transactions

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

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

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

(h) Reserves

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

2. INTER-ENTITY TRANSACTIONS

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

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

During 2023, inter-entity expense transactions included an awning, painting, and water filter system totalling $23,933. In 2024, there were no inter-entity expense transactions.

The Township provides accounting and administrative services to the Board at no cost.

During 2023, the Library building was transferred from the Library board to the Township of Douro-Dummer. This transaction had an impact of $99,001 on the 2023 annual surplus/deficit.

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

3. TANGIBLE CAPITAL ASSETS

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

	Equipment and books $	Computer $	2024 Totals $	2023 Totals $
COST				
Balance, beginning of year	83,381	7,879	91,260	250,279
Add: additions during the year	9,134	-	9,134	21,227
Less: disposals during the year	12,538	-	12,538	180,246
Balance, end of year	79,977	7,879	87,856	91,260
ACCUMULATED AMORTIZATION				
Balance, beginning of year	35,501	7,879	43,380	110,735
Add: additions during the year	14,153	-	14,153	13,890
Less: disposals during the year	12,538	-	12,538	81,245
Balance, end of year	37,116	7,879	44,995	43,380
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	42,861	-	42,861	47,880

4. ACCUMULATED SURPLUS

Accumulated surplus consists of the following:

	2024 $	2023 $
Invested In Capital Assets		
Tangible capital assets - net book value	42,861	47,880
Surplus	42,861	47,880
Reserve		
Future capital projects	175,141	164,609
	218,002	212,489

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 PSA presented budget:

	2024 $
Board approved budgeted surplus	-
Tangible capital asset additions	14,000
Amortization of tangible capital assets	(13,890)
Annual budgeted surplus/(deficit) reported on the Statement of Operations	110

6. COMPARATIVE FIGURES

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

7. FINANCIAL INSTRUMENTS

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

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

8. 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.