

**The Corporation of the
Township of Laird
Consolidated Financial Statements
For the year ended December 31, 2022**

**The Corporation of the Township of Laird
Consolidated Financial Statements
For the year ended December 31, 2022**

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Independent Auditors' Report

To the Management of The Corporation of the Township of Laird:

Opinion

I have audited the consolidated financial statements of The Corporation of the Township of Laird (the Township), which comprise the consolidated balance sheet as at December 31, 2022, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the Township of Laird as at December 31, 2022, and the consolidated results of its operations, its' consolidated change in net financial assets and its' consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the Township in accordance with the ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

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

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

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

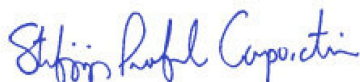
My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect 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, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my 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.
- Obtaining 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Township to cease 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.

I also 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



Stefanizzi Professional Corporation
Chartered Professional Accountant, authorized to practice public accounting by
The Chartered Professional Accountants of Ontario
Sault Ste. Marie, Ontario
September 18, 2023

The Corporation of the Township of Laird
Consolidated Balance Sheet

As at December 31,	2022	2021
Financial Assets		
Cash and cash equivalents (note 3)	\$ 1,244,125	\$ 346,217
Taxes receivable - no allowance	73,187	181,474
Accounts receivable - no allowance	256,324	510,021
Government remittances recoverable	393,737	281,822
	<u>1,967,373</u>	<u>1,319,534</u>
Liabilities		
Accounts payable and accrued liabilities	94,079	38,798
Landfill site closure liability (note 7)	274,275	2,402
	<u>368,354</u>	<u>41,201</u>
Net financial assets	1,599,019	1,278,332
Non-financial assets		
Tangible capital assets (schedule 1)	7,479,934	7,169,110
Accumulated surplus (note 8)	\$ 9,078,953	\$ 8,447,442

Approved on behalf of council:

Jennifer Errington
 _____ Clerk

Jennifer Errington
R Crozier
 _____ Treasurer
 Rhonda Crozier

The Corporation of the Township of Laird Consolidated Statement of Operations

Year ended December 31, (with comparative figures for the prior year)

	Budget 2022	Actual 2022	Actual 2021
	(unaudited, see note 10)		
Revenues			
Taxation (note 11)	\$ 1,740,947	\$ 1,740,904	\$ 1,657,757
Federal grants	68,575	68,575	1,663,590
Provincial grants	987,022	899,897	734,735
Other municipalities	3,500	10,288	7,635
Fees and user charges	346,475	364,431	155,331
Other Income	48,050	74,479	44,721
	3,194,569	3,158,574	4,263,769
Expenditures			
Current			
General government	435,134	399,495	426,802
Protection	260,442	263,314	260,588
Transportation services	456,175	796,317	821,611
Environmental services	124,891	346,957	69,084
Health Services	44,122	49,337	44,774
Social and family services	473,170	471,170	470,015
Recreation and cultural services	19,909	188,494	190,623
Planning and development	17,929	11,979	10,249
	1,831,772	2,527,063	2,293,746
Annual surplus	1,362,797	631,511	1,970,023
Annual surplus beginning of year, as previously stated	8,447,442	8,447,442	6,477,419
Accumulated surplus, end of year	\$ 9,810,239	\$ 9,078,953	\$ 8,447,442

The Corporation of the Township of Laird
Consolidated Statement of Change in Net Assets

Year ended December 31, (with comparative figures for the prior year)

	Budget (Unaudited) 2022	Actual 2022	Actual 2021
Annual surplus	\$ 1,362,797	\$ 631,511	\$ 1,970,023
Acquisition of tangible capital assets	(669,941)	(634,315)	(1,984,283)
Amortization of tangible capital assets	-	323,491	258,565
Net change in net financial assets	692,856	320,687	244,305
Net financial assets, beginning of year	1,278,332	1,278,332	1,034,027
Net financial assets, end of year	\$ 1,971,188	\$ 1,599,019	\$ 1,278,332

The Corporation of the Township of Laird
Consolidated Statement of Cash Flow

For the year ended December 31,	2022	2021
Cash provided by (used for):		
Operating transactions		
Increase in accumulated surplus	\$ 631,511	\$ 1,970,023
Changes in non-cash operating items:		
Increase (Decrease) in taxes receivable	108,287	(10,612)
Increase (Decrease) in accounts receivable	253,697	(461,161)
(Increase) Decrease in accounts payable	55,279	(23,492)
Increase in landfill site liability	271,873	-
(Decrease) in Government remittances recoverable	(111,915)	(121,107)
	1,208,732	1,353,651
Annual depreciation	323,491	258,565
	1,532,223	1,612,216
Capital transactions		
Capital additions	(634,315)	(1,984,283)
Increase (decrease) in cash and cash equivalents for the year	897,908	(372,067)
Cash and cash equivalents, beginning of year	346,217	718,284
Cash and cash equivalents, end of year	\$ 1,244,125	\$ 346,217

The Corporation of the Township of Laird

Notes to Consolidated Financial Statements

December 31, 2022

1. Summary of significant accounting policies

Basis of consolidation

The consolidated financial statements of The Corporation of the Township of Laird are the representation of management prepared in accordance with generally accepted accounting standards for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations.

The focus of these PSAB financial statements is on the financial position of the municipality and the changes thereto. The Consolidated Balance Sheet reports financial and non-financial assets and liabilities of the Municipality. Financial assets are those assets which could provide resources to discharge existing liabilities or finance future operations. Municipal position represents the financial position and is the difference between assets and liabilities. This provides information about the municipality's overall future revenue requirements and its ability to finance activities and meet its obligations.

Consolidated entities

These consolidated statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund, capital fund, reserve funds and reserves and include the activities of all committees of the Council.

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

Non-consolidated entities

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

Algoma District Services Administration Board
Algoma Public Health
Algoma District Homes for the Aged

Revenue recognition

Revenues and expenditures are reported on the accrual basis of accounting. Expenditures are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due. Revenues are recognized as follows:

- a) Tax revenue is recognized in the calendar year to which the tax assessment applies and the assessment is known.
- b) Fines and donations are recognized when collected.
- c) Fees and user charges are recognized when the services are performed or goods are delivered, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and fees are fixed or determinable. Amounts received for future services are deferred until the service is provided.
- d) Interest income is recognized in the period in which it is earned.

The Corporation of the Township of Laird

Notes to Consolidated Financial Statements

December 31, 2022

Deferred revenue

Revenue restricted by legislation, regulation or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated balance sheet. The revenue is reported on the consolidated statement of financial activities in the year in which it is used for the specified purpose.

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.

Government transfers

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

Contributed goods and services

Goods and services contributed to the Township are recorded at their fair market value at the time of their occurrence.

Cash and cash equivalents

Cash and cash equivalents include bank deposits and short-term GICs that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates include allowance for doubtful accounts, inventory obsolescence, environmental liabilities, useful life of capital assets, and accruals. Actual results could differ from management's best estimates as additional information becomes available in the future.

Accounting for school board transactions

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these consolidated financial statements.

Trust funds

Trust funds and their related operations administered by the Municipality are not consolidated, but are reported separately on the Trust Funds Statement of Continuity and Balance Sheet.

Basis of accounting

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

The Corporation of the Township of Laird

Notes to Consolidated Financial Statements

December 31, 2022

Landfill closure and post/closure liabilities

The liability for closure of operational site and post-closure care has been recognized based on estimated future expenses, estimated inflation and the usage of the site's capacity during the year.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenue over expenses, provides the change in net financial assets for the year.

(a) Capital assets

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

	Useful Life - Years
Buildings	40
Roads	10 - 50
Sidewalks	30
Bridge structure	30
Water infrastructure	50
Sewer infrastructure	50
Fleet	8-20

In the year of acquisition, capital assets are amortized at one-half the above rates.

(b) Contribution of tangible capital assets

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

(c) Interest capitalization

Interest is capitalized whenever external debt is issued to finance the construction of tangible capital assets.

(d) Leases

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

Amounts to be recovered

Amounts to be recovered are reported in the municipal position on the consolidated balance sheet. The balance represents future expenditures not yet levied on the ratepayers.

The Corporation of the Township of Laird

Notes to Consolidated Financial Statements

December 31, 2022

Budget figures

Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements. The approved operating budget and capital budgets are reflected on the Consolidated Statement of Operations and are unaudited. The budgets established for capital investment in tangible capital assets are on a project-oriented basis, the costs of which may be carried out over one or more years and, therefore, may not be comparable with current year's actual expenditure amounts. As well, the Township does not budget activity within Reserves and Reserve Funds, with the exception being those transactions, which affect either operations or capital investments.

Future Employee Benefits

The Municipality participates in a pension plan for employees. The Municipality is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The Municipality has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles. The Municipality records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the plan for past employee service, where applicable.

2. Financial instruments

The Township initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Municipality subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equity securities that are quoted in an active market or financial assets or liabilities designated to the fair value category, which are subsequently measured at fair value. Unrealized changes in fair value are recognized in the statement of operations.

The Township's financial instruments measured at amortized cost consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, landfill site closure liability, deferred revenue and municipal long-term debt. Unless otherwise noted, it is management's opinion that the Township is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value.

The Corporation of the Township of Laird
Notes to Consolidated Financial Statements

December 31, 2022

3. Cash and cash equivalents

	2022	2021
Unrestricted cash	\$ 875,696	\$ (15,800)
Temporary investments	368,429	362,017
	\$ 1,244,125	\$ 346,217

Interest rates on the temporary investments range between 0.90% and 2.20%. These consist of three individual GICs, all maturing between January and May 2023.

4. Bank indebtedness

The bank indebtedness includes an authorized overdraft limit of \$100,000 at a rate of bank prime plus 0.5% per annum. The overdraft is secured by a pledge agreement covering taxes receivable of the Township.

5. Future employee benefits

The Township entered into a contractual agreement on October 3, 2007 with its' full-time employees in the Administration and Road Department. The agreement calls for the retention of sick leave credits built up by any full-time employees hired prior to July 1, 2001. The liability is estimated and is based upon the hourly rate of pay for the individual as of the end of each year, as part of amounts to be recovered from future years taxation.

6. Deferred revenue

A requirement of the public sector accounting principles of the Chartered Professional Accountant of Canada is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as a provincial and municipal legislation restricts how these funds may be used. The balances in the obligatory reserve funds of the Township are NIL for the past two years.

The Corporation of the Township of Laird
Notes to Consolidated Financial Statements

December 31, 2022

7. Landfill site closure liability

Effective January 1, 2001 the Township adopted accounting recommendations of the Public Sector Accounting Board of the Canadian Chartered Professional Accountants with respect to landfill site closing and post-closing costs. As a result, the consolidated balance sheet now reflects a liability for anticipated future costs related to the closing and monitoring of the existing landfill site. The waste site closure and post closure cost liability has been estimated at \$274,275 as of today's date. This liability represents the estimated total expenditures required for closure and post closure care. This estimated liability was generated from based on the best estimate of management who have experience with landfill construction and closure work. Updated information related to the amount of the liability remaining to be recognized and remaining capacity of the site is not currently available until the final engineering assessment is completed. As at December 31, 2022, the landfill closure and post closure costs have been financed via a reserve fund equal to the liability as of the balance sheet date.

The Corporation of the Township of Laird
Notes to Consolidated Financial Statements

December 31, 2022

8. Accumulated surplus

The accumulated surplus is comprised of the following:

	2022	2021
Fund balances set aside for specific purposes by Council:		
- to be applied to the operation of local boards	\$ 69,785	\$ 102,603
Reserves set aside for specific purposes by Council:		
- For general and administrative use	382,674	3,356
- land acquisition	-	21,424
- Bar River Hall	133,524	-
- Heritage	-	8,241
- Policing general	-	131,811
- WDS closing	-	260,069
- MNR	-	85,393
- NSAS	-	990
- SAH MMH	-	2,575
- Fire department capital	170,032	38,220
- Cannabis	-	15,019
- Landfill closure and post-closure	274,275	-
- Modernization	-	322,207
- Road equipment	267,550	232,550
- Wharf	284,903	40,000
- Recreation general	35,476	35,476
	1,548,434	1,197,331
Total operating, reserves and reserve funds	1,618,219	1,299,934
Invested in tangible capital assets	7,479,934	7,169,110
Funds to be provided from future revenues (note 9)	(19,200)	(21,602)
Accumulated surplus	\$ 9,078,953	\$ 8,447,442

The Corporation of the Township of Laird
Notes to Consolidated Financial Statements

December 31, 2022

9. Amounts to be recovered

The total balance of amounts to be recovered of \$19,200 (2021 - \$21,602) is comprised of the following:

	2022	2021
Municipal debt:		
Landfill site closure liability	\$ -	\$ 2,402
Sick leave benefits	19,200	19,200
	\$ 19,200	\$ 21,602

10. Budget reconciliation

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

	(Unaudited)	
	Revenue	Expenses
Council approved budget		
Operating fund	\$ 3,194,569	\$ 1,831,772
Reserves and reserve funds	641,881	1,658,886
	3,836,450	3,490,658
Capital budget	-	345,792
Total approved by council	3,836,450	3,836,450
Less tangible capital assets capitalized	-	-
Budget per consolidated statement of operations	\$ 3,836,450	\$ 3,836,450

11. Taxation

	2022	2021
Taxation revenue	\$ 1,990,861	\$ 1,870,780
Less: Amount levied and remitted to school boards	249,957	213,023
	\$ 1,740,904	\$ 1,657,757

The Corporation of the Township of Laird
Notes to Consolidated Financial Statements

December 31, 2022

12. Expenditures by object

	2022	2021
Salaries, wages and employee benefits	\$ 505,800	\$ 554,432
Materials	628,088	631,810
Amortization	323,490	305,814
Contracted and general services	1,069,685	801,690
	\$ 2,527,063	\$ 2,293,746

13. Pension agreements

OMERS provides pension services to municipal employees in Ontario. 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. Because OMERS is a multi-employer plan, any pension plan surplus or deficit are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Municipality does not recognize any share of the OMERS pension surplus or deficit. The Municipality contributes to OMERS on behalf of its employees.

Contributions made in 2022 were in the amount of \$28,614 (2021 - \$28,389).

14. Public Sector Salary Disclosure Act

No employee was paid an annual salary of \$100,000 or more as defined by the Public Sector Salary Disclosure Act, 1996.

15. Contributions to unconsolidated joint boards

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

	2022	2021
Algoma District Service Administration Board	\$ 471,170	\$ 470,015
Algoma Public Health	42,122	38,094
	\$ 513,292	\$ 508,109

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

The Corporation of the Township of Laird

Notes to Consolidated Financial Statements

December 31, 2022

16. Trust funds

Trust funds administered by the Township amounting to \$35,937 (2021 - \$33,210) have not been included in the "Consolidated Balance Sheet" nor have their operations been included in the "Consolidated Statement of Financial Activities".

17. Segmented information

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

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

General government

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

Protection

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

Transportation

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

Environmental

The environmental department provides garbage collection and waste minimization programs and facilities for solid waste disposal.

Health

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

The Corporation of the Township of Laird

Notes to Consolidated Financial Statements

December 31, 2022

17. Segmented information (cont'd.)

Social and family

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

Recreation and cultural

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

Planning

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

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

Impact of COVID-19

In March 2020, the World Health Organization declared the Coronavirus COVID-19 (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world.

Markets are prone to volatility and the COVID-19 virus has presented many uncertainties and is threatening the outlook for future global trade and GDP. This uncertainty has translated into widespread volatility across equity and bond markets.

At this time these factors present uncertainty over future cash flows and may cause significant changes to the assets or liabilities. An estimate of the financial effect is not practicable at this time.

The Corporation of the Township of Laird
Schedule of Tangible Capital Assets

Schedule 1

Year ended December 31, 2022

	Cost			2021 Closing Balance	Accumulated Amortization			2022 Ending Balance	2022	2021
	2022 Opening Balance	Additions and Betterments	Disposals/ Transfers		2022 Opening Balance	2022 Amortization Expense	Accumulated Amortization on Disposals		Net Book Value	Net Book Value
Land	\$ 123,159	\$ -	\$ -	\$ 123,159	\$ -	\$ -	\$ -	\$ -	\$ 123,159	\$ 123,159
Land improvements	9,830	-	-	9,830	9,830	-	-	9,830	-	-
Buildings	935,980	11,116	-	947,096	325,954	23,347	-	349,301	597,795	610,026
Roads	7,096,128	260,525	-	7,356,653	5,038,727	144,781	-	5,183,508	2,173,145	2,057,401
Equipment	218,493	3,168	-	221,661	68,705	19,717	-	88,422	133,239	149,788
Bridge structure	4,305,359	328,565	-	4,633,924	513,495	89,517	-	603,012	4,030,912	3,791,864
Automotive	1,074,980	-	-	1,074,980	649,908	46,129	-	696,037	378,943	425,072
Waste management land	11,800	30,941	-	42,741	-	-	-	-	42,741	11,800
	\$13,775,729	\$ 634,315	\$ -	\$14,410,044	\$ 6,606,619	\$ 323,491	\$ -	\$ 6,930,110	\$ 7,479,934	\$ 7,169,110

The Corporation of the Township of Laird
Segment Disclosures - Service Bundle

Schedule 2

Year ended December 31, 2022

	General Government	Protection services	Transportation services	Environmental services	Health services	Social and family services	Recreation and cultural services	Planning and development	Total
Expenditures									
Salaries and wages	\$ 233,863	\$ 22,184	\$ 170,417	\$ 37,618	\$ 5,215	\$ -	\$ 36,503	\$ -	\$ 505,800
Materials, good and supplies	76,834	74,998	326,766	-	-	-	137,511	11,979	628,088
Contracted & general services	82,319	165,154	-	306,920	44,122	471,170	-	-	1,069,685
Amortization expenses	6,478	978	299,133	2,419	-	-	14,482	-	323,490
	399,494	263,314	796,316	346,957	49,337	471,170	188,496	11,979	2,527,063
Revenues									
Taxation	275,213	181,398	548,585	239,020	33,986	324,592	129,856	8,253	1,740,903
User charges	57,612	37,973	114,838	50,035	7,115	67,948	27,183	1,728	364,432
External non-tax revenues	166,503	109,745	331,892	144,606	20,562	196,376	78,563	4,992	1,053,239
	499,328	329,116	995,315	433,661	61,663	588,916	235,602	14,973	3,158,574
Annual Surplus	\$ 99,834	\$ 65,802	\$ 198,999	\$ 86,704	\$ 12,326	\$ 117,746	\$ 47,106	\$ 2,994	\$ 631,511

The Corporation of the Township of Laird
Segment Disclosures - Service Bundle

Schedule 3

Year ended December 31, 2021

	General Government	Protection services	Transportation services	Environmental services	Health services	Social and family services	Recreation and cultural services	Planning and development	Total
Expenditures									
Salaries and wages	\$ 267,823	\$ 24,140	\$ 174,723	\$ 32,354	\$ 6,680	\$ -	\$ 48,712	\$ -	\$ 554,432
Materials, good and supplies	57,090	72,796	361,993	-	-	-	129,681	10,250	631,810
Contracted & general services	96,601	162,674	-	34,311	38,089	470,015	-	-	801,690
Amortization expenses	5,289	978	284,896	2,419	-	-	12,232	-	305,814
	<u>426,803</u>	<u>260,588</u>	<u>821,612</u>	<u>69,084</u>	<u>44,769</u>	<u>470,015</u>	<u>190,625</u>	<u>10,250</u>	<u>2,293,746</u>
Revenues									
Taxation	308,463	188,335	593,803	49,929	32,356	339,694	137,768	7,409	1,657,757
User charges	28,903	17,647	55,639	4,678	3,032	31,829	12,909	694	155,331
External non-tax revenues	456,004	278,417	877,826	73,811	47,831	502,173	203,668	10,951	2,450,681
	<u>793,370</u>	<u>484,399</u>	<u>1,527,268</u>	<u>128,418</u>	<u>83,219</u>	<u>873,696</u>	<u>354,345</u>	<u>19,054</u>	<u>4,263,769</u>
Annual Surplus	\$ 366,567	\$ 223,811	\$ 705,656	\$ 59,334	\$ 38,450	\$ 403,681	\$ 163,720	\$ 8,804	\$1,970,023

Independent Auditors' Report

To the Management of The Corporation of the Township of Laird:

I have audited the consolidated financial statements of the Trust Funds of The Corporation of the Township of Laird, which comprise the balance sheet as at December 31, 2022 and the statement of continuity of trust funds for the year then ended.

Management's Responsibility for the consolidated Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the balance sheet of the Trust Funds of The Corporation of the Township of Laird as at December 31, 2022 and the results of its activities for the year then ended in accordance with Canadian public sector accounting standards.



Stefanizzi Professional Corporation
Chartered Professional Accountant, authorized to practice public accounting by
Chartered Professional Accountants of Ontario
Sault Ste. Marie, Ontario
September 18, 2023

The Corporation of the Township of Laird
Trust Funds
Balance Sheet

As at December 31,

	Actual 2022	Actual 2021
Assets		
Cash	\$ 9,955	\$ 7,852
Term deposits	25,982	25,835
	\$ 35,937	\$ 33,687
Fund Balance	\$ 35,937	\$ 33,687

The Corporation of the Township of Laird
Trust Funds
Statement of Continuity

Year ended December 31, (with comparative figures for the prior year)

	Actual 2022	Actual 2021
Balance, beginning of year	\$ 33,687	\$ 32,873
Revenues		
Miscellaneous	2,250	814
Balance, end of year	\$ 35,937	\$ 33,687

The Corporation of the Township of Laird
Trust Funds
Notes to Trust Funds Auditors' Report

December 31, 2022

1. Summary of significant accounting policies

Management responsibility

The consolidated financial statements of The Corporation of the Township of Laird Trust Funds are the representation of management prepared in accordance with Canadian public sector accounting standards. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations.

Basis of accounting

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

Independent Auditors' Report

To the Management of The Corporation of the Township of Laird:

Report on the consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Laird Township Cemetery Board as at December 31, 2022 which comprise the statement of financial activities and fund balances for the year then ended.

Management's Responsibility for the consolidated Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial activities of the Laird Township Cemetery Board as at December 31, 2022 and the results of its operations and fund balances for the year then ended in accordance with Canadian public sector accounting standards.



Stefanizzi Professional Corporation
Chartered Professional Accountant, authorized to practice public accounting by
Chartered Professional Accountants of Ontario
Sault Ste. Marie, Ontario
September 18, 2023

The Laird Township Cemetery Board
Balance Sheet

As at December 31,	2022	2021
Assets		
Cash	\$ 29,488	\$ 27,482
Accounts receivable	1,953	-
Capital asset - Land and fence	31,059	18,644
	<hr/> \$ 62,500	<hr/> \$ 46,126
Liabilities and Fund Balances		
Fund Balance		
General operating surplus	\$ 31,441	\$ 27,482
Capital surplus	31,059	18,644
	<hr/> \$ 62,500	<hr/> \$ 46,126

The Laird Township Cemetery Board
Statement of Financial Activities and Fund Balances

Year ended December 31, (with comparative figures for the prior year)

	2022	2021
Revenues		
Municipal contribution	\$ -	\$ 18,000
Sale of plots, markers and burial fees	3,959	5,890
	<u>3,959</u>	<u>23,890</u>
Expenditures		
Maintenance	-	9,252
Capital	-	12,415
Other	-	908
	<u>-</u>	<u>22,575</u>
Net revenues for the year	3,959	1,315
Fund Balance, beginning of year	27,482	26,167
Fund Balance, end of year	<u>\$ 31,441</u>	<u>\$ 27,482</u>

The Laird Township Cemetery Board

Notes to Cemetery Board Auditors' Report

December 31, 2022

1. Summary of significant accounting policies

Management responsibility

The financial statements of The Laird Township Cemetery Board are the representation of management prepared in accordance with Canadian public sector accounting standards. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations.

Basis of consolidation

These statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund and capital fund. All interfund assets and liabilities and sources of financing and expenditures have been eliminated.

Basis of accounting

Sources of financing and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay. The historical cost and accumulated amortization for capital assets are not recorded for municipal purposes. Capital assets are reported as an expenditure on the statement of financial activities and fund balances in the year of acquisition.

Fund balance

The fund balance represents the accumulated excess of revenue over expenditures. The amount forms a portion of the Township's fund balance and is to be used to offset charges in the future.

THE CORPORATION OF THE TOWNSHIP OF LAIRD
RR#4, Pumpkin Point Road & Hwy 17 East
Echo Bay, Ontario
P0S1C0

September 18, 2023

Stefanizzi Professional Corporation
2 - 207 Northern Avenue East
Sault Ste. Marie, Ontario
P6B 4H9

Dear Sir:

We are providing this letter in connection with your audit of the financial statements of The Corporation of the Township of Laird as of December 31, 2022 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of The Corporation of the Township of Laird in accordance with Canadian generally accepted accounting principles. We confirm that we are responsible for the fair presentation of the financial statements in accordance with Canadian generally accepted accounting principles. We acknowledge that we are also responsible for the implementation and operation of internal controls that are designed to prevent and detect fraud and error.

We understand that your audit was made in accordance with Canadian generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as you considered necessary in the circumstances for the purpose of obtaining reasonable assurance that the financial statements are free from material misstatement. However, such an audit is based on selective tests. Because you do not perform a detailed examination of all transactions, there is a risk that material fraud, error, violation or possible violation of laws or regulation may exist, but not be detected. Based on our assessment, we believe the risk that the financial statements may be materially misstated as a result of fraud to be acceptably low.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We hereby confirm that to the best of our knowledge and belief as of the date of this letter:

1. We have made available to you all:
 - Financial records and related data; and
 - Minutes of the meetings of council and committees.
2. The minutes of the municipality are a complete record of all meetings and resolutions of council throughout the period and to the present date.
3. We have reviewed and approved all of the following:
 - a. Journal entries you prepared or changed;
 - b. Account codes you determined or changed;
 - c. Transactions you classified; and
 - d. Accounting records you prepared or changed.
4. We are not aware of any instances of actual or probable non-compliance with or deficiencies in financial reporting practices relative to the requirements of regulatory authorities.

5. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements. All financial statement misstatements identified and discussed with us in the course of the audit have been recorded.
6. There has been no:
 - Fraud or irregularities involving management or employees who have significant roles in internal control, whether or not they are perceived to have a material effect on the financial statements;
 - Fraud involving others that could have a material effect on the financial statements;
 - Cases of suspected fraud or allegations of fraud communicated by employees, former employees or others; and
 - Violations or possible violations of laws or regulations (including the failure to file reports required by regulatory bodies) whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
7. We are aware of the environmental laws and regulations that impact on our municipality and we are in compliance. There are no known environmental liabilities that have not been accrued for or disclosed in the financial statements.
8. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
9. The following, where applicable, have been properly recorded or disclosed in the financial statements:
 - Guarantees, whether written or oral, under which the municipality is contingently liable;
 - All assets to which the municipality has title and all known liabilities of the municipality at the year end;
 - Information regarding the terms and conditions, interest rate risk, credit risk and foreign exchange bank of financial instruments. There were no derivative or off-balance sheet financial instruments held at year end;
10. We have disclosed to you all significant customers and/or suppliers of the municipality who individually represent a significant volume of transactions with our municipality. We are of the opinion that the volume of transactions (e.g., sales, services, purchases, borrowing and lending) done by the municipality with any one party is not of sufficient magnitude that discontinuance would have a material negative effect on the ongoing operations of the company.
11. The municipality has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral. Where the value of any asset has been impaired, an appropriate provision has been made in the financial statements. This includes:
 - Appropriate provisions for idle, abandoned, destroyed or obsolete assets or where site restoration costs will be necessary.
12. Provision has been made for any material loss to be sustained in the fulfillment of, or from inability to fulfill, any sales commitments.
13. Receivables recorded in the financial statements represent valid claims against debtors for sales or other charges arising on or before the balance sheet date and have been appropriately reduced to their estimated net realizable value.
14. There were no inventories on consignment, bill-and-hold, or other arrangements, either owned by us or by our suppliers.

15. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance.
16. There are no material unrecorded assets or contingent assets (such as claims relating to patent infringements or unfulfilled contracts whose value depends on satisfying conditions regarded as uncertain) that have not been disclosed.
17. No events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
18. We have responded fully to all inquiries made to us and have made available to you all accounting and financial records and related data of the municipality during your audit.

Yours truly,

The Corporation of the Township of Laird

Per: *Jennifer Errington* Title: Clerk Date: September 18, 2023
Jennifer Errington
Clerk

Per: *Rhonda Crozier* Title: Treasurer Date: September 18, 2023
Rhonda Crozier
Treasurer

The Corporation of the Township of Laird




Year End: December-31-22

Adjusting journal entries

Date: 01/01/2022 To 31/12/2022

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	01/01/2022	Cash short (over)	1001				36.15		
1	01/01/2022	Cash Over (Under)	1003				221.41		
1	01/01/2022	Cemetery Trust Fund - Cash	1004			734.31			
1	01/01/2022	MGMT BOARD - Cash	1006			5,453.37			
1	01/01/2022	RECREATION - Cash	1007			606.16			
1	01/01/2022	Cemetery Op (4916263) - Cash	1008			1,315.00			
1	01/01/2022	Accounts Rec. Cemetery	1204				15,346.27		
1	01/01/2022	Accounts Rec.Recreation	1205			43,507.49			
1	01/01/2022	MGMT Board - AR	1221				4,461.04		
1	01/01/2022	Cemetery Trust Fund GIC - (00736)	1322			932.43			
1	01/01/2022	Term Reserves (RF) Prov. Cannabis	1340				15,000.00		
1	01/01/2022	Term Deposit Modernization	1342			269,616.00			
1	01/01/2022	Prepaid Expense	1702			992.18			
1	01/01/2022	Government Buildings	1810			5,393.28			
1	01/01/2022	Acc Amort Gen Gov Bldg	1811				3,405.48		
1	01/01/2022	Accum.Amort. Machinery & Equipment	1813				692.24		
1	01/01/2022	Transportation Building	1820			122,529.22			
1	01/01/2022	Acc. Amort. Transportation Bldg	1821				6,201.44		
1	01/01/2022	Accum.Amort Enviro.Building	1826				2,419.49		
1	01/01/2022	Recreation Building	1840			48,652.03			
1	01/01/2022	Acc Amort Recreation Bldg	1841			36,867.70			
1	01/01/2022	Accum.Amort.Protec Automotive	1856				978.29		
1	01/01/2022	Accum Amort - GG Paved Roads	1859				1,191.31		
1	01/01/2022	Accum.Amort.TS Auto Unpaved Rds	1866				26,552.34		
1	01/01/2022	Acc Amort TS Auto Ops & Rd Side	1871				6,385.50		
1	01/01/2022	Acc Amort TS Auto Winter Control	1876				12,212.91		
1	01/01/2022	Acc Amort Road Base	1901				42,802.16		
1	01/01/2022	Acc. Amort Asphalt Treated Roads	1906				4,297.82		
1	01/01/2022	Surface Treated Roads	1910			146,870.74			
1	01/01/2022	Accum Amort Surface Treated Roads	1911				86,955.57		
1	01/01/2022	Bridge Structure	1920			1,648,509.41			
1	01/01/2022	Accum Amort Bridge Structure	1921				82,945.50		
1	01/01/2022	Accum Amort Recreation Equip	1967				1,849.38		
1	01/01/2022	TS Equipment	1976			12,328.21			
1	01/01/2022	Accum Amort TS Equipment	1977				16,542.51		
1	01/01/2022	Accounts Payable - English Public	2102			156.92			
1	01/01/2022	Accounts Payable - Other	2202				2,429.00		
1	01/01/2022	MGMT BOARD - AP	2315			1,229.51			
1	01/01/2022	Cemetery-Due to Township	2318				1,315.00		
1	01/01/2022	Reserve for Working Capital	3001			626,695.35			
1	01/01/2022	Reserve for Modernization Fund	3004				511,920.21		
1	01/01/2022	Reserve - Policing General	3006				105,396.00		
1	01/01/2022	Reserve -WDS Closing	3007				105,000.00		
1	01/01/2022	Reserve - MNR	3008				3,000.00		
1	01/01/2022	Cemetery (C+M) - Surplus	3012				813.70		
1	01/01/2022	Reserve -Church	3101			1,602.69			
1	01/01/2022	Reserve - Road Equipment	3102				75,000.00		
1	01/01/2022	Reserve - Wharf	3103				40,000.00		
1	01/01/2022	Reserve - Park	3104				35,476.39		
1	01/01/2022	Board LFMB/REC-Surplus Transactions	3105				37,426.24		
1	01/01/2022	Accumulated Surplus	3500				1,725,718.65		
		opening balance adjustment							
4	31/12/2022	Cemetery Trust Fund GIC - (00736)	1322			146.84			
4	31/12/2022	Cemetery Income - Bank Interest	5538				146.84		
		To record GIC interest							
5	31/12/2022	Government Buildings	1810			11,116.26			
5	31/12/2022	Net General Government	1812			3,168.17			
5	31/12/2022	Surface Treated Roads	1910			34,642.97			
5	31/12/2022	Surface Treated Roads	1910			8,758.43			
5	31/12/2022	Surface Treated Roads	1910			21,813.27			
5	31/12/2022	Surface Treated Roads	1910			8,458.80			
5	31/12/2022	Surface Treated Roads	1910			10,016.38			

Stefanizzi Professional Corporation

Completed by	Manager	Client Approv.
		

The Corporation of the Township of Laird

Year End: December-31-22

Adjusting journal entries

Date: 01/01/2022 To 31/12/2022

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
5	31/12/2022	Surface Treated Roads	1910			9,295.78			
5	31/12/2022	Surface Treated Roads	1910			58,613.11			
5	31/12/2022	Surface Treated Roads	1910			108,925.94			
5	31/12/2022	Surface Treated Roads	1910			6,617.60			
5	31/12/2022	Surface Treated Roads	1910			9,921.60			
5	31/12/2022	Surface Treated Roads	1910			14,402.47			
5	31/12/2022	COVID	5164				11,116.26		
5	31/12/2022	COVID	5164				3,168.17		
5	31/12/2022	Roads Material	5313				34,642.97		
5	31/12/2022	Roads Material	5313				8,758.43		
5	31/12/2022	Roads Material	5313				21,813.27		
5	31/12/2022	Roads Material	5313				8,458.80		
5	31/12/2022	Road Miscellaneous	5315				10,016.38		
5	31/12/2022	Road Miscellaneous	5315				9,295.78		
5	31/12/2022	Garage Maintenance Roads	5318				58,613.11		
5	31/12/2022	Roads - Capital	5360				108,925.94		
5	31/12/2022	Environmental - Capital	5414				6,617.60		
5	31/12/2022	Environmental - Capital	5414				9,921.60		
5	31/12/2022	Environmental - Capital	5414				14,402.47		
		to reallocate capital items							
6	31/12/2022	Bridge Structure	1920			328,564.80			
6	31/12/2022	Roads Capital/ Lakeview Rd. Bridge	5363				328,564.80		
		to capitalize lakeview rd. bridge project							
7	31/12/2022	Acc Amort Gen Gov Bldg	1811				3,960.65		
7	31/12/2022	Acc. Amort. Transportation Bldg	1821				4,334.20		
7	31/12/2022	Accum.Amort Enviro.Building	1826				2,419.49		
7	31/12/2022	Acc Amort Recreation Bldg	1841				12,632.29		
7	31/12/2022	Gen Gov't Amortization Expense	5180			3,960.65			
7	31/12/2022	TS Building Amort Expense	5395			4,334.20			
7	31/12/2022	Environmental Bldg Amort Expense	5436			2,419.49			
7	31/12/2022	Recreation Bldg Amort Expense	5691			12,632.29			
		to record amortization on buildings							
8	31/12/2022	Accum.Amort.Protect Automotive	1856				978.30		
8	31/12/2022	Accum.Amort.TS Auto Unpaved Rds	1866				26,552.35		
8	31/12/2022	Acc Amort TS Auto Ops & Rd Side	1871				6,385.85		
8	31/12/2022	Acc Amort TS Auto Winter Control	1876				12,212.91		
8	31/12/2022	Protection Amortization Expense	5296			978.30			
8	31/12/2022	TS Unpaved Amortization Expense	5391			26,552.35			
8	31/12/2022	TS Ops & Roadside Amort Expense	5393			6,385.85			
8	31/12/2022	TS Winter Control Amortization Exp	5394			12,212.91			
		to record amortization on automotive							
9	31/12/2022	Accum Amort - GG Paved Roads	1859				1,191.31		
9	31/12/2022	Acc Amort Road Base	1901				42,802.16		
9	31/12/2022	Acc. Amort Asphalt Treated Roads	1906				4,297.82		
9	31/12/2022	Accum Amort Surface Treated Roads	1911				97,725.83		
9	31/12/2022	Accum Amort Surface Treated Roads	1911			1,237.63			
9	31/12/2022	Gen Gov't Amortization Expense	5180			1,191.31			
9	31/12/2022	TS Paved Amortization Expense	5390			4,297.82			
9	31/12/2022	TS Paved Amortization Expense	5390			97,725.83			
9	31/12/2022	TS Paved Amortization Expense	5390				1,237.63		
9	31/12/2022	TS Unpaved Amortization Expense	5391			42,802.16			
		to record amortization on roads							
10	31/12/2022	Accum Amort Bridge Structure	1921				89,516.79		

Stefanizzi Professional Corporation

Completed by	Manager	Client Approv.
		

The Corporation of the Township of Laird

Year End: December-31-22

Adjusting journal entries

Date: 01/01/2022 To 31/12/2022

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
10	31/12/2022	TS Bridge Structure Amort Expense	5392			89,516.79			
		to record amortization on bridges							
11	31/12/2022	Accum.Amort. Machinery & Equipment	1813				1,325.88		
11	31/12/2022	Accum Amort Recreation Equip	1967				1,849.38		
11	31/12/2022	Accum Amort TS Equipment	1977				16,542.51		
11	31/12/2022	Gen Gov't Amortization Expense	5180			1,325.88			
11	31/12/2022	TS Machinery & Equip Amort Expense	5396			16,542.51			
11	31/12/2022	Recreation Facilities Amort Expense	5690			1,849.38			
		to record amortization on equipment							
13	31/12/2022	Reserve for Working Capital	3001				319,726.85		
13	31/12/2022	Reserve - Land Acquired	3002			21,424.45			
13	31/12/2022	Reserve Admin Capital	3003			212,909.11			
13	31/12/2022	Reserve for Modernization Fund	3004			322,207.19			
13	31/12/2022	Reserve - Heritage	3005			8,240.59			
13	31/12/2022	Reserve - Policing General	3006			131,811.44			
13	31/12/2022	Reserve -WDS Closing	3007			286,274.91			
13	31/12/2022	Reserve - MNR	3008			85,393.37			
13	31/12/2022	Total Reserve Funds	3010			15,018.56			
13	31/12/2022	Reserve NSAS	3015			989.50			
13	31/12/2022	Reserve - SAH MMH	3016			2,575.03			
13	31/12/2022	Reserve - Fire Department Capital	3017			38,220.06			
13	31/12/2022	Reserve - Road Equipment	3100				267,550.29		
13	31/12/2022	Reserve - Road Equipment	3102			232,550.29			
13	31/12/2022	Reserve - Wharf	3103			40,000.00			
13	31/12/2022	Reserve - Park	3104			35,476.39			
13	31/12/2022	Reserve - Landfill	3110				274,274.91		
13	31/12/2022	Reserve - Fire Capital	3111				170,031.50		
13	31/12/2022	Reserve - Recreation General	3112				35,476.39		
13	31/12/2022	Reserve - Recreation Wharf	3113				284,903.21		
13	31/12/2022	Reserve - Recreation Bar River Hall	3114				133,524.00		
13	31/12/2022	Transfer to Reserves	5902			52,396.26			
		to adjust reserves to actual							
14	31/12/2022	Recreation - Materials	5653			20,000.00			
14	31/12/2022	Recreation - Materials	5653			65,594.00			
14	31/12/2022	Transfer to (from) Recreation	5908				20,000.00		
14	31/12/2022	Transfer to (from) Recreation	5908				65,594.00		
		To reallocate levies to recreation							
15	31/12/2022	Cemetery Trust Fund - Cash	1004			2,102.65			
15	31/12/2022	Accounts Rec. Cemetery	1204			9,270.00			
15	31/12/2022	Accounts Rec. Cemetery	1204			8,000.00			
15	31/12/2022	Cemetery (C+M) - Surplus	3012				146.84		
15	31/12/2022	Cemetery (C+M) - Surplus	3012				2,102.65		
15	31/12/2022	Transfer to Cemetery Operating	5905				17,270.00		
15	31/12/2022	Transfer to Cemetery Operating	5905			146.84			
		to reverse #2711 and #2730 and close out trust fund surplus							
16	31/12/2022	Cemetery Op (4916263) - Cash	1008			2,005.75			
16	31/12/2022	Cemetery-Due to Township	2318				3,958.89		
16	31/12/2022	Cemetery Income - Sales & Monuments	5539				2,005.75		
16	31/12/2022	Transfer to Cemetery Operating	5905			3,958.89			
		to record cem operating transactions and close out operating surplus							

Stefanizzi Professional Corporation

Completed by	Manager	Client Approv.
		

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The Corporation of the Township of Laird

Year End: December-31-22

Adjusting journal entries

Date: 01/01/2022 To 31/12/2022

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
17	31/12/2022	Bank Reserve for Capital (RF)	1310				1,092.24		
17	31/12/2022	Capital Reserve (192-9513965)	1311			1,179.25			
17	31/12/2022	Capital Reserve (192-9513965)	1311			218.48			
17	31/12/2022	Bank Park Reserve (RF)	1320				87.01		
17	31/12/2022	GIC Park Reserve	1321			1,097.51			
17	31/12/2022	Term Deposit Modernization	1342			5,095.43			
17	31/12/2022	Bank Interest Other Revenue	4904				218.48		
17	31/12/2022	Bank Interest Other Revenue	4904				1,097.51		
17	31/12/2022	Bank Interest Other Revenue	4904				5,095.43		
to record closed accounts and record interest on GICs									
18	31/12/2022	Prepaid Expense	1702			175.00			
18	31/12/2022	Administration Salaries	5102				175.00		
to close out									
19	31/12/2022	Waste Management Land	1890			6,617.60			
19	31/12/2022	Waste Management Land	1890			9,921.60			
19	31/12/2022	Waste Management Land	1890			14,402.27			
19	31/12/2022	Surface Treated Roads	1910				6,617.60		
19	31/12/2022	Surface Treated Roads	1910				9,921.60		
19	31/12/2022	Surface Treated Roads	1910				14,402.27		
to reallocate to landfill site expenditures									
20	31/12/2022	Amounts to be Recovered	1502				2,400.87		
20	31/12/2022	Landfill Site Liability	2502				271,873.29		
20	31/12/2022	Environment Waste Materials	5412			271,873.29			
20	31/12/2022	Transfer to Reserves	5902			2,400.87			
to record increase in landfill site liability									
21	31/12/2022	Accumulated Surplus	3500				310,825.49		
21	31/12/2022	Transfer from Reserves	5904			310,825.49			
to increase capital surplus to asset NBV									
22	31/12/2022	Reserve for Working Capital	3001				272,500.06		
22	31/12/2022	Transfer to Reserves	5902			272,500.06			
to close out net income									
23	31/12/2022	Reserve -WDS Closing	3007			26,206.00			
23	31/12/2022	Reserve -WDS Closing	3007				26,206.00		
23	31/12/2022	Environmental - Capital	5414				26,206.00		
23	31/12/2022	Transfer to Reserves	5902			26,206.00			
to reverse entry									
						6,479,703.90	6,479,703.90		
Net Income (Loss)			0.00						

Stefanizzi Professional Corporation

Completed by	Manager	Client Approv.
		

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STEFANIZZI
PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANT

705.949.9616
office@stefanizzi.ca
www.stefanizzi.ca
2-207 Northern Ave. E.
Sault Ste. Marie, ON
P6B 4H9

May 4, 2023

The Corporation of the Township of Laird
RR#4, Pumpkin Point Road & Hwy 17 East
Echo Bay, Ontario
P0S1C0

Dear Management of The Corporation of the Township of Laird:

I have been engaged to audit the consolidated financial statements of The Corporation of the Township of Laird for the year ending December 31, 2022.

Canadian Generally Accepted Auditing Standards (GAAS) require that I communicate at least annually with you regarding all relationships between The Corporation of the Township of Laird and my firm that, in my professional judgment, may reasonably be thought to bear on my independence.

In determining which relationships to report, these standards require me to consider relevant rules and related interpretations prescribed by the provincial institute and applicable legislation, covering such matters as:

- (a) holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- (b) personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (c) economic dependence on a client; and
- (d) provision of services in addition to the audit engagement.

I am not aware of any relationships between The Corporation of the Township of Laird and myself that, in my professional judgment, may reasonably be thought to bear on my independence, that have occurred from January 1, 2022 to December 31, 2022.

The GAAS requires that I confirm my independence to The Corporation of the Township of Laird. However, since the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario deal with the concept of independence in terms of objectivity, my confirmation is to be made in that context. Accordingly, I hereby confirm that I am objective with respect to The Corporation of the Township of Laird within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

This report is intended solely for the use of The Corporation of the Township of Laird and should not be used for any other purposes.

If you have any questions concerning our independence, feel free to contact my office.

Yours truly,

Jerry Stefanizzi
Stefanizzi Professional Corporation
Chartered Professional Accountant authorized to practice public accounting by
The Chartered Professional Accountants of Ontario
Sault Ste. Marie, Ontario



September 18, 2023

The Corporation of the Township of Laird
RR#4, Pumpkin Point Road & Hwy 17 East
Echo Bay, Ontario
P0S1C0

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To: The Management of The Corporation of the Township of Laird

I have audited the financial statements, which are comprised of the consolidated balance sheet, the consolidated statement of operations, changes in net financial assets and cash flows for the year ended December 31, 2022 and have issued our report thereon dated September 18, 2023.

Auditor Responsibilities for the Audit of the Financial Statements

As stated to you in my Independent Auditor Report, my objectives as described by professional standards, is 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 report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian accepted generally accepted 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.

Government Responsibility for Preparation of the Financial Statements

In accordance with the standard PS1201.005 of the Public Sector Accounting Board financial reporting framework, The Corporation of the Township of Laird acknowledges responsibility for preparation of the financial statements

Planned Scope and Timing of the Audit

I performed the audit according to the planned scope and timing previously communicated to you in the engagement letter dated May 4, 2023.

SIGNIFICANT AUDIT FINDINGS AND ISSUES

Opinion

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the Township of Laird as at December 31, 2022, and the consolidated results of its operations, its consolidated change in net financial assets and its consolidated cash flows for the year then ended December 31, 2022 in accordance with Canadian public sector accounting standards.

Accounting Practices and Policies

Management is responsible for the selections and use of accounting policies. The significant accounting policies used by The Corporation of the Township of Laird are described in Note 1 of the financial statements. No new accounting policies were adopted and there were no changes in the application of existing policies during the 2022 fiscal year.

Significant Accounting Estimates

Accounting estimates are part of the financial statement process prepared by management and are based on management knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility of future events affecting them, may differ significantly from those expected. There are no significant accounting estimates that have been recognized in the financial statement for the year ended December 31, 2022.

Financial Statement Disclosures

The disclosures in the financial statement are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. I encountered no sensitive disclosures to the financial statement for the 2022 year.

Significant Difficulties Encountered in Performing the Audit

I encountered no significant difficulties in dealing with management in performing and completing my audit.

Uncorrected Misstatements

Professional Standards require me to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No uncorrected misstatements were detected during the audit.

Disagreements with Management

For the purposes of this communication, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to my satisfaction, that could be significant to the financial statements or the auditor report. I am pleased to report that no such disagreements arose during the course of my audit.

Other Significant Audit Findings or Issues

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. Any other significant findings would be included as within a Key Audit matters Paragraph within the auditor report.

This information is intended solely for the use of, The Corporation of the Township of Laird, and is not intended to be, and should not be, used by anyone other than the specified party.



Stefanizzi Professional Corporation
Chartered Professional Accountant, authorized to practice public accounting by
The Chartered Professional Accountants of Ontario
Sault Ste. Marie, Ontario