

Consolidated Financial Statements

**CORPORATION OF THE TOWN OF PERTH**

Year ended December 31, 2019

**CORPORATION OF THE TOWN OF PERTH  
CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

---

**CONTENTS**

Management's Responsibility for the Consolidated Financial Statements .....	1
Independent Auditor's Report .....	2 - 4
Consolidated Statement of Financial Position.....	5
Consolidated Statement of Operations .....	6
Consolidated Statement of Changes in Net Financial Assets.....	7
Consolidated Statement of Cash Flows .....	8
Notes to the Consolidated Financial Statements.....	9 - 21
Schedule 1 ▶ Continuity of Reserves and Reserve Funds.....	22 - 23
Independent Auditor's Report ▶ Business Improvement Area Committee .....	24 - 26
Town of Perth Business Improvement Area Committee.....	27 - 32
Perth and District Union Public Library Board .....	33 - 47

---



## THE CORPORATION OF THE TOWN OF PERTH

80 Gore Street East  
Perth, Ontario K7H 1H9  
Phone: 613 267-3311  
Fax: 613 267-5635

### Management's Responsibility for the Consolidated Financial Statements

---

The accompanying consolidated financial statements of the Corporation of the Town of Perth are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards. A summary of significant accounting policies are described in note 2 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of consolidated financial statements. These systems are monitored and evaluated by management.

Management meets with the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to Council approval of the consolidated financial statements.

The consolidated financial statements have been audited by Allan and Partners LLP, independent external auditors appointed by the Town. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

A blue ink signature of Michael Touw.

---

Michael Touw  
Chief Administrative Officer

A blue ink signature of Brian Burns.

---

Brian Burns  
Treasurer



## INDEPENDENT AUDITOR'S REPORT

---

To the Members of Council, Inhabitants and Ratepayers  
of the Corporation of the Town of Perth:

### Opinion

We have audited the consolidated financial statements of the Corporation of the Town of Perth (the 'Entity'), which comprise:

- the consolidated statement of financial position as at December 31, 2019;
- the consolidated statement of operations and accumulated surplus for the year then ended;
- the consolidated statement of changes in net financial assets for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- and the notes to the consolidated financial statements, including a summary of significant accounting policies;

(Hereinafter referred to as the 'financial statements').

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2019, and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### Basis for Opinion

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

We are independent of the Entity 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 of 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



Allan and Partners LLP  
Chartered Professional Accountants  
Licensed Public Accountants

Perth, Ontario  
May 26, 2020.

**Corporation of the Town of Perth  
Consolidated Statement of Financial Position**

December 31	2019	2018
	\$	\$
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and short term deposits	14,698,252	8,372,599
Taxes receivable (net of allowance \$20,000)	460,331	518,954
User charges receivable (net of allowance \$10,000)	388,680	379,322
Accounts receivable (net of allowance \$30,000)	972,568	871,954
Land Inventory for resale	490,844	490,844
	<b>17,010,675</b>	10,633,673
<b>LIABILITIES</b>		
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	1,703,663	3,085,644
Prepaid property taxes	564,062	548,223
Accrued landfill closure and post closure liability (note 11)	1,330,000	1,330,000
Other current liabilities	1,228,490	1,178,994
Employee future benefit obligations	102,669	132,315
Deferred revenues (note 4)	1,534,463	1,254,257
Long term liabilities (note 5)	4,269,286	167,617
	<b>10,732,633</b>	7,697,050
<b>NET FINANCIAL ASSETS</b>	<b>6,278,042</b>	2,936,623
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 15)	63,348,896	63,613,810
Prepaid expenses	154,090	143,770
	<b>63,502,986</b>	63,757,580
Commitments (note 12)    Contingent Liabilities (note 10)		
<b>MUNICIPAL EQUITY</b> (note 6)	<b>69,781,028</b>	66,694,203

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

**Corporation of the Town of Perth  
Consolidated Statement of Operations**

For the year ended December 31	Budget	2019	2018
	\$	\$	\$
<b>REVENUES</b>			
Property Taxation	7,606,200	<b>7,717,861</b>	7,573,767
User charges	3,975,600	<b>4,285,205</b>	4,078,226
Government transfers	2,995,940	<b>3,064,980</b>	2,378,567
Licences and permits	199,300	<b>222,874</b>	385,726
Investment income	150,000	<b>327,398</b>	188,961
Penalties and interest on taxes	91,000	<b>92,228</b>	89,953
Provincial offences	983,500	<b>772,631</b>	932,247
Other	621,090	<b>500,941</b>	604,102
<b>TOTAL REVENUES</b>	16,622,630	<b>16,984,118</b>	16,231,549
<b>EXPENSES</b>			
General government	1,571,378	<b>1,525,108</b>	1,201,652
Protection to persons and property	4,046,418	<b>3,904,401</b>	3,731,871
Transportation services	2,024,622	<b>1,954,962</b>	1,901,368
Environmental services	3,795,730	<b>3,916,200</b>	3,666,978
Social and family services	20,000	<b>20,000</b>	20,000
Recreation and cultural services	2,773,903	<b>2,789,182</b>	2,710,705
Planning and development	953,205	<b>1,171,038</b>	1,080,663
<b>TOTAL EXPENSES</b>	15,185,256	<b>15,280,891</b>	14,313,237
<b>NET REVENUE FROM OPERATIONS</b>	1,437,374	<b>1,703,227</b>	1,918,312
<b>OTHER</b>			
Grants and transfers related to capital			
Deferred revenues earned (note 4)	473,411	<b>475,991</b>	400,648
Government transfers	2,590,742	<b>907,607</b>	254,776
Gain on sale of tangible capital assets	---	---	2,414
Write down of assets	---	---	---
Land for resale	---	---	---
<b>TOTAL OTHER</b>	3,064,153	<b>1,383,598</b>	657,838
<b>ANNUAL SURPLUS</b>	4,501,527	<b>3,086,825</b>	2,576,150
<b>MUNICIPAL EQUITY, BEGINNING OF YEAR</b>	66,694,203	<b>66,694,203</b>	64,118,053
<b>MUNICIPAL EQUITY, END OF YEAR</b>	71,195,730	<b>69,781,028</b>	66,694,203

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



**Corporation of the Town of Perth  
Consolidated Statement of Changes in Net Financial Assets**

For the year ended December 31	Budget	2019	2018
	\$	\$	\$
<b>ANNUAL SURPLUS</b>	4,501,527	<b>3,086,825</b>	2,576,150
Amortization of tangible capital assets	2,642,060	<b>2,540,281</b>	2,184,482
Acquisition of tangible capital assets	(5,400,982)	<b>(2,275,367)</b>	(8,446,549)
Loss on write down of capital assets	---	---	---
Proceeds on sale of capital assets	---	---	28,376
Gain on sale of capital assets	---	---	(2,414)
Disposal of supplies inventories	---	---	---
(Acquisition) disposal of prepaid expenses	---	<b>(10,320)</b>	4,866
	(2,758,922)	<b>254,594</b>	(6,231,239)
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	1,742,605	<b>3,341,419</b>	(3,655,089)
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	2,936,623	<b>2,936,623</b>	6,591,712
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	4,679,228	<b>6,278,042</b>	2,936,623

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

**Corporation of the Town of Perth  
Consolidated Statement of Cash Flows**

<b>For the year ended December 31</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>		
Annual surplus for the year	<b>3,086,825</b>	2,576,150
Amortization	<b>2,540,281</b>	2,184,482
Gain on sale of capital assets	---	(2,414)
Write down of tangible capital assets	---	---
	<b>5,627,106</b>	4,758,218
<b>Net Change in Non-Cash Working Capital Balances</b>		
Taxes receivable	<b>58,623</b>	(57,923)
User charges receivable	<b>(9,358)</b>	(6,441)
Accounts receivable	<b>(100,614)</b>	1,574,291
Inventory for resale	---	13,288
Accounts payable and accrued liabilities	<b>(1,381,980)</b>	(93,799)
Prepaid property taxes	<b>15,839</b>	124,924
Accrued landfill closure and post closure	---	---
Other current liabilities	<b>49,496</b>	391,165
Employee future benefit obligation	<b>(29,645)</b>	(34,402)
Deferred revenues	<b>280,206</b>	289,243
Inventories for resale	---	---
Prepaid expenses	<b>(10,320)</b>	4,866
	<b>(1,127,753)</b>	2,205,212
<b>Working Capital from Operations</b>	<b>4,499,353</b>	6,963,430
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	<b>(2,275,368)</b>	(8,446,549)
Proceeds on sale of capital assets	---	28,376
<b>Net investment in tangible capital assets</b>	<b>(2,275,368)</b>	(8,418,173)
<b>FINANCING ACTIVITIES</b>		
Long term loan received	<b>4,460,870</b>	---
Debt principal repayments	<b>(359,202)</b>	(204,823)
<b>Net increase (decrease) in cash from financing activities</b>	<b>4,101,668</b>	(204,823)
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>6,325,653</b>	(1,659,566)
<b>CASH, BEGINNING OF YEAR</b>	<b>8,372,599</b>	10,032,165
<b>CASH, END OF YEAR</b>	<b>14,698,252</b>	8,372,599

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

---

# Corporation of the Town of Perth

## Notes to the Consolidated Financial Statements

**December 31, 2019**

---

### **1. Status of the Town of Perth**

The Town of Perth (the 'Town') was incorporated in 1854. The Town operates as a lower tier government in the County of Lanark, in the Province of Ontario, Canada and provides municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations.

---

### **2. Significant Accounting Policies**

The consolidated financial statements of the Corporation of the Town of Perth are the representations of management and have been prepared in all material respects in accordance with Canadian Public Sector Accounting Standards. Significant aspects of the accounting policies adopted by the Town are as follows:

#### **Reporting Entity**

- (i) The consolidated financial statements reflect financial assets, liabilities, operating revenues and expenditures, reserves, reserve funds and changes in investment in tangible capital assets of the Town. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Town and which are owned or controlled by the Town. Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated. These consolidated financial statements include:
  - Business Improvement Area Committee
  - Public Library Board (proportionate)
- (ii) 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.

#### **Basis of Accounting**

- (i) The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.
- (ii) 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 revenues over expenses, provides the change in net financial assets for the year.
- (iii) Trust funds and their related operations administered by the Town are not included in these consolidated financial statements but are reported separately on the Trust Funds Statement of Financial Activities and Financial Position.

---

**Corporation of the Town of Perth  
Notes to the Consolidated Financial Statements**

**December 31, 2019**

---

**2. Significant Accounting Policies / continued**

**Taxation and Related Revenues**

Property tax billings are prepared by the Town based on assessment rolls issued by the Municipal Property Assessment Corporation ('MPAC'). Tax rates are established by the Town Council, incorporating amounts to be raised for local services, amounts to be raised on behalf of County of Lanark for regional services, and amounts the Town is required to collect on behalf of the Province of Ontario in respect of education taxes. Taxation revenues are recorded at the time tax billings are issued. Adjustments to taxation revenue can occur during the year related to the issuance of supplementary tax billings and/or assessment appeals. These adjustments are recorded when the amount of the adjustments can be quantified. The Town is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period in which the interest and penalties are applied.

**Tangible Capital Assets**

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

Land Improvements	10 - 25 years
Buildings	20 - 50 years
Leasehold Improvements	term of lease
Vehicles	3 - 25 years
Equipment & Machinery	3 - 15 years
Linear Assets	20 to 100 years

Amortization is charged from the month following acquisition. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

The Town has a capitalization threshold of \$5,000 for buildings, vehicles and equipment and \$25,000 for linear assets so that individual capital assets of lesser value are expensed.

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. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

When tangible capital assets are disposed of, either by way of a sale, destruction or loss, or abandonment of the asset, the asset's net book value, historical cost less accumulated amortization, is written off. Any resulting gain or loss, equal to the proceeds on disposal less the asset's net book value, is reported on the consolidated statement of operations in the year of disposal. Transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

---

**Corporation of the Town of Perth**  
**Notes to the Consolidated Financial Statements**

**December 31, 2019**

---

**2. Significant Accounting Policies / continued**

**Tangible Capital Assets / continued**

When conditions indicate that a tangible capital asset no longer contributes to the Town's ability to provide services or the value of the future economic benefits associated with the tangible capital asset are less than its net book value, and the decline is expected to be permanent, the cost and accumulated amortization of the asset are reduced to reflect the revised estimate of the value of the asset's remaining service potential. The resulting net adjustment is reported as an expense on the consolidated statement of operations.

**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.

**Inventories and Prepaid Expenses**

Inventories and prepaid expenses held for consumption are recorded at the lower of cost or replacement cost.

**Pension and Employee Benefits**

The Town accounts for its participation in the Ontario Municipal Employees Retirement System ('OMERS'), a multi-employer public sector pension fund, as a defined benefit plan. The OMERS plan specifies the retirement benefits to be received by employees based on length of service and pay rates.

Employee benefits include vacation entitlement and sick leave benefits. Vacation entitlements are accrued as entitlements are earned. Sick leave benefits are accrued in accordance with the Town's policy.

The Town accrues its obligation for employee benefit plans. The cost of post-retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on services and management's best estimate of salary escalation, retirement ages of employees and expected health care costs.

Actual gains (losses) which can arise from changes in the actuarial assumptions used to determine the accrued benefit obligation will be amortized over the average remaining service period of active employees.

**Cash and Cash Equivalents**

The Town considers cash and cash equivalents to be highly liquid investments with original maturities of three months or less.

---

## Corporation of the Town of Perth Notes to the Consolidated Financial Statements

December 31, 2019

---

### 2. Significant Accounting Policies / continued

#### Government Transfers

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

#### Deferred Revenues

The Town defers recognition of user charges and fees which have been collected but for which the related services have yet to be performed. Government transfers of gas taxes, development charges collected under the *Development Charges Act, 1997*, and recreational land collected under the Planning Act are reported as deferred revenues in the Consolidated Statement of Financial Position. These amounts will be recognized as revenues in the fiscal year the services are performed.

The Town receives restricted contributions under the authority of Federal and Provincial legislation and Town by-laws. These funds by their nature are restricted in their use and until applied to applicable costs are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

Deferred revenue represents certain user charges and fees which have been collected but for which the related services have yet to be performed. Deferred revenue also represents contributions that the Town has received pursuant to legislation, regulation or agreement that may only be used for certain programs or in the completion of specific work. These amounts are recognized as revenue in the fiscal year the services are performed or related expenses incurred.

#### Investment Income

Investment income earned on surplus, current funds, capital funds, reserves and reserve funds (other than obligatory reserve funds) are reported as revenue in the period earned. Investment income earned on development charges and parkland obligatory reserve funds is added to the fund balance and forms part of respective deferred revenue balances.

#### Landfill Closure and Post-Closure Liabilities

The Town accrues landfill closure and post-closure care requirements that have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a twenty-five year period using the best information available to management.

Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

---

**Corporation of the Town of Perth**  
**Notes to the Consolidated Financial Statements**

**December 31, 2019**

---

**2. Significant Accounting Policies / continued**

**Liability for Contaminated Sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- (a) an environmental standard exists;
- (b) contamination exceeds the environmental standard;
- (c) the Town:
  - (i) is directly responsible; or
  - (ii) accepts responsibility
- (d) it is expected that future economic benefit will be given up; and
- (e) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

**Financial Instruments**

All financial instruments are initially recognized at fair value on the consolidated statement of financial position. The Town has classified each financial instrument into one of the following categories: held-for-trading financial assets and liabilities, loans and receivables, held-to-maturity financial assets and other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Held-for-trading financial assets and liabilities are subsequently measured at fair value with changes in those fair values recognized in net revenues.

Loans and receivables, held-to-maturity financial assets and other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Town classifies cash and cash equivalents as held-for-trading financial assets, accounts receivable as loans and receivables, and accounts payable and accrued liabilities as other financial liabilities.

**Measurement Uncertainty**

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenditures during the period. Actual results could differ from these estimates. These estimates are reviewed periodically and as adjustments become necessary, they are recorded in the consolidated financial statements in the period in which they become known.

---

**Corporation of the Town of Perth  
Notes to the Consolidated Financial Statements**

**December 31, 2019**

---

**3. Operations of the School Board and County of Lanark**

During 2019, the Town collected and made property tax transfers including payments in lieu of property taxes, to the County of Lanark and School Boards as follows:

	<b>School Boards</b>	<b>County</b>
	<b>\$</b>	<b>\$</b>
Property taxes	2,521,242	3,234,409
Taxation from other governments	1,930	43,396
Amounts requisitioned and paid	2,523,172	3,277,805

---

**4. Deferred Revenues**

A requirement of public sector accounting standards of the Chartered Professional Accountants of Canada is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as Provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded.

The transactions for the year are summarized below:

	Gas Tax Funding	Development Charges	Parkland	<b>Total</b>
	\$	\$	\$	\$
January 1, 2019	91,857	1,157,869	4,531	<b>1,254,257</b>
Contributions from developers	---	377,800	---	<b>377,800</b>
Interest	2,250	28,368	258	<b>30,876</b>
Government grants	369,368	---	---	<b>369,368</b>
Transfer to fund study	---	(21,847)	---	<b>(21,847)</b>
Transfer to fund capital acquisition	(460,745)	(15,246)	---	<b>(475,991)</b>
December 31, 2019	2,730	1,526,944	4,789	<b>1,534,463</b>

---



---

**Corporation of the Town of Perth  
Notes to the Consolidated Financial Statements**

**December 31, 2019**

---

**5. Long Term Liabilities**

- (a) The balance of debt reported on the "Consolidated Statement of Financial Position" is comprised of the following:

	<b>2019</b>	2018
	\$	\$
Fixed rate loan with the Federation of Canadian Municipalities (3.41%), maturing 2029, repayable in blended semi-annual payments.	<b>4,269,286</b>	---
Fixed rate bank loan with the Royal Bank of Canada, (4.02%), repaid in full February 2019.	---	167,617
Net long term liabilities at the end of the year	<b>4,269,286</b>	167,617

- (b) Interest expense on long term liabilities in 2019 amounted to \$82,471 (2018 \$10,761).
- (c) These payments are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.
- (d) Principal payments fall due as follows:

	\$
2020	<b>387,584</b>
2021	<b>400,926</b>
2022	<b>414,713</b>
2023	<b>428,976</b>
2024	<b>443,716</b>
2025 and thereafter	<b>2,193,371</b>
	<b>4,269,286</b>

---

---

**Corporation of the Town of Perth  
Notes to the Consolidated Financial Statements**

**December 31, 2019**

---

**6. Municipal Equity**

Municipal equity consists of:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Investment in tangible capital assets		
Tangible capital assets	<b>63,348,896</b>	63,613,810
Long term liabilities	<b>(4,269,286)</b>	(167,617)
Unfinanced Capital Projects		
To be funded from long term debt	---	(4,469,870)
To be funded from grants	---	(660,130)
To be funded from taxation or user charges	<b>(900,000)</b>	(1,000,000)
	<b>58,179,610</b>	57,316,193
Reserves (Schedule 1)	<b>11,590,299</b>	9,366,891
Reserve Funds (Schedule 1)	<b>11,119</b>	11,119
<b>Total Municipal Equity</b>	<b>69,781,028</b>	66,694,203

---

**7. Pension Contributions**

The Town makes contributions to the Ontario Municipal Employees Retirement System (“OMERS”), which is a multi-employer plan, on behalf of all permanent members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employers and employees contribute to the plan. Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the Village does not recognize any share of the OMERS pension surplus or deficit in these consolidated financial statements.

The amount contributed to OMERS was \$321K (2018 \$313K) for current services and is included as an expenditure on the Consolidated Statement of Operations classified under the appropriate functional expenditure. Contributions by employees were a similar amount.

---

**8. Provincial Offences Administration (POA)**

The Town of Perth has assumed the administration of the Provincial Offences office for all County of Lanark resident municipalities. The transfer of administration from the Ministry of the Attorney General to the Town was a result of the Provincial Offences Act (POA) 1997, which provides the framework for the transfer of responsibility and administration of POA courts.

---

## **Corporation of the Town of Perth Notes to the Consolidated Financial Statements**

**December 31, 2019**

---

### **8. Provincial Offences Administration (POA) / continued**

The POA is a procedural law for administering and prosecuting provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor Licence Act, Municipal By-Laws and minor federal offences. The POA governs all aspects of legal process from serving notice to a defendant, to conducting trials, including sentencing and appeals.

The Town's share of net revenues arising from operation of the POA office have been consolidated with these consolidated financial statements. The revenue of the court office consists of fines levied under Parts I and III (including delay penalties) for POA charges filed in the Perth court.

If fines are paid at other court offices, the receipt is recorded in the Integrated Courts Operation Network System ("ICON") operated by the Province of Ontario. Revenue is recognized when receipt of funds is recorded by the provincial ICON system regardless of the location where payment is made.

The Town of Perth shares net POA revenues based on weighted assessment.

---

### **9. Contingent Liability – Contaminated Sites**

The Town has identified a potential liability for two contaminated sites. One site was previously used as a landfill and the other attached to an industrial property with environmental issues. The Town has completed environmental assessments on both sites. An estimate of the liability for the contaminated sites could not be reasonably estimated. Both sites are currently vacant. A liability for the contaminated sites will be recognized in the consolidated financial statements, if required, when a future use of the site is known.

---

### **10. Contingent Liabilities**

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. With respect to claims as at December 31, 2019, management believes that the Town has valid defences and appropriate insurance coverages in place.

In the event any claims are successful, the amount of any potential liability is not determinable, therefore, no amount has been accrued in the consolidated financial statements.

---

---

## Corporation of the Town of Perth Notes to the Consolidated Financial Statements

**December 31, 2019**

---

### **11. Landfill Closure and Post Closure Liability**

The Environment Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a twenty-five year period using the best information available to management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The Town currently has one active site. The site is in operation and has an estimated life of approximately 5 years. The anticipated closure plan, based on information provided by R. J. Burnside and Associated Limited (February 2018), involves placement of low permeability native soils over the buried wastes, landscaping and revegetation and ongoing annual monitoring and maintenance at an estimated capital cost of \$922,000. Annual post closure maintenance and monitoring requirements are estimated to be \$30,000 per annum and are expected to occur for approximately 50 years.

Estimated total expenditures represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at an estimated average long term borrowing rate of 6.0% and using an assumed rate of 0.0% for inflation. The estimated total landfill closure and post-closure care expenditures are calculated to be approximately \$1,330,000.

---

### **12. Commitments**

- (a)** The Town has a long term contract with Glenview Iron and Metal Ltd. for the collection of waste and source-separated organics and the collection and processing of recyclables. The contract commenced June 1, 2015 and will expire on May 31, 2020. All collection charges are based on the number of households while the processing of recyclables is a charge per tonne. Charges are adjusted annually for inflation. The contract also provides for the Town to receive all proceeds from the sale of recyclables. Payments under the contract for 2019 were \$401K (2018 \$367K).
- (b)** The Town has entered into a long term contract with the Ontario Provincial Police for the provision of policing services. The contract period is January 2020 to December 2025. Annual charges are determined based on levels of service and are reconciled to actual costs in the following year. Payments under the contract for 2019 were \$1,891K (2018 \$1,841K).

---

**Corporation of the Town of Perth  
Notes to the Consolidated Financial Statements**

**December 31, 2019**

---

**13. Risk Management**

In the normal course of operations, the Town is exposed to a variety of financial risks which are actively managed by the Town.

The Town's financial instruments consist of cash, investments, accounts receivable and accounts payable and accrued liabilities. The fair values of cash, investments and accounts payable and accrued liabilities approximate their carrying values because of their expected short term maturity and treatment on normal trade terms.

The Town's exposure to and management of risk has not changed materially from December 31, 2018.

**Credit Risk**

Credit risk arises from the possibility that the entities to which the Town provides services to may experience difficulty and be unable to fulfill their obligations. The Town is exposed to financial risk that arises from the credit quality of the entities to which it provides services. The Town does not have a significant exposure to any individual customer or counter party. As a result, the requirement for credit risk related reserves for accounts receivable is minimal.

**Interest Rate Risk**

Interest rate risk arises from the possibility that the value of, or cash flows related to, a financial instrument will fluctuate as a result of changes in market interest rates. The Town is exposed to financial risk that arises from the interest rate differentials between the market interest rate and the rates on its cash and cash equivalents. Changes in variable interest rates could cause fluctuations in the Town's operating results.

**Liquidity Risk**

Liquidity risk is the risk that the Town will not be able to meet its obligations as they fall due. The Town requires working capital to meet day-to-day operating activities. Management expects that the Town's cash flows from operating activities will be sufficient to meet these requirements.

---

**14. Segmented Information**

The Town is a diversified municipal government that provides a wide range of services to its citizens. The services are provided by departments and their activities are reported in the consolidated statement of operations.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 2.

**Corporation of the Town of Perth  
Notes to the Consolidated Financial Statements**

**December 31, 2019**

**14. Segmented Information** / continued

For each reported segment, expenditures represent 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.

<b>2019</b>	<b>Salaries, Wages &amp; Employee Benefits</b>	<b>Long Term Debt Interest</b>	<b>Materials &amp; Services</b>	<b>External Transfers</b>	<b>Inter functional Adjustments</b>	<b>Amortization</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$	\$
<b>General Government</b>	1,266,625	746	1,208,945	---	(1,115,255)	164,047	1,525,108
<b>Protection to Persons &amp; Property</b>	842,303	---	2,087,220	429,254	448,888	96,736	3,904,401
<b>Transportation</b>	408,593	---	670,856	---	124,594	750,919	1,954,962
<b>Environmental</b>	1,093,677	81,725	1,411,644	---	231,682	1,097,472	3,916,200
<b>Social and Family</b>	---	---	---	20,000	---	---	20,000
<b>Recreation &amp; Cultural Services</b>	1,540,399	---	599,974	---	217,702	431,107	2,789,182
<b>Planning and Development</b>	453,626	---	394,805	230,218	92,389	---	1,171,038
<b>Total</b>	5,605,223	82,471	6,373,444	679,472	---	2,540,281	15,280,891

**Corporation of the Town of Perth  
Notes to the Consolidated Financial Statements**

**December 31, 2019**

**15. Tangible Capital Assets**

Asset Class	Cost 01/01/19	Additions	(Disposals)	Cost 31/12/19
	\$	\$	\$	\$
Land	1,697,212	---	---	<b>1,697,212</b>
Land Infrastructure	28,683	---	---	<b>28,683</b>
Land Improvements	920,069	229,323	---	<b>1,149,392</b>
Buildings	11,810,799	788,046	---	<b>12,598,845</b>
Vehicles	3,476,965	175,345	---	<b>3,652,310</b>
Equipment & Machinery	6,335,157	495,625	---	<b>6,830,782</b>
Linear Assets				
Structures	4,959,243	---	---	<b>4,959,243</b>
Roads	22,518,066	251,804	---	<b>22,769,870</b>
Underground Water	11,635,467	---	---	<b>11,635,467</b>
Underground Sewer	20,946,488	161,443	---	<b>21,107,931</b>
Underground Storm	8,815,667	316,422	---	<b>9,132,089</b>
Construction in Progress	846,680	273,947	(467,007)	<b>653,620</b>
Library Board (proportionate share)	668,743	50,446	(40,611)	<b>678,578</b>
	<b>94,659,239</b>	<b>2,742,401</b>	<b>(507,618)</b>	<b>96,894,022</b>

Asset Class	Accumulated Amortization 01/01/19	Amortization	(Disposals)	Accumulated Amortization 31/12/19	Net Book Value 31/12/19
	\$	\$	\$	\$	\$
Land	---	---	---	---	<b>1,697,212</b>
Land Infrastructure	---	---	---	---	<b>28,683</b>
Land Improvements	599,727	39,607	---	639,334	<b>510,058</b>
Buildings	5,260,659	434,196	---	5,694,855	<b>6,903,990</b>
Vehicles	1,430,696	173,694	---	1,604,390	<b>2,047,920</b>
Equipment & Machinery	1,104,470	331,419	---	1,435,889	<b>5,394,893</b>
Linear Assets					
Structures	1,908,345	91,810	--	2,000,155	<b>2,959,088</b>
Roads	9,139,345	570,572	-	9,709,917	<b>13,059,953</b>
Underground Water	4,089,683	177,923	---	4,267,606	<b>7,367,861</b>
Underground Sewer	3,690,881	526,431	---	4,217,312	<b>16,890,619</b>
Underground Storm	3,367,787	151,569	---	3,519,356	<b>5,612,733</b>
Construction in Progress	---	---	---	---	<b>653,620</b>
Library Board (proportionate share)	453,836	43,060	(40,584)	456,312	<b>222,266</b>
	<b>31,045,429</b>	<b>2,540,281</b>	<b>(40,584)</b>	<b>33,545,126</b>	<b>63,348,896</b>

**Corporation of the Town of Perth**  
**Schedule 1 • Continuity of Reserves and Reserve Funds**

For the year ended December 31	Budget	2019	2018
	\$	\$	\$
<b>Revenues</b>			
Interest	---	---	384
<b>Total Net Revenues</b>	---	---	384
<b>Net Transfers From / (To) Other Funds</b>			
Transfers from operations	3,527,934	3,784,306	3,905,727
Transfers for capital acquisitions	(3,005,959)	(1,560,898)	(2,586,327)
<b>Total Net Transfers</b>	521,975	2,223,408	1,319,400
<b>Reserves and Reserve Fund Balances, Change in Year</b>	521,975	2,223,408	1,319,784
<b>Reserves and Reserve Fund Balances, Beginning of Year</b>	9,378,010	9,378,010	8,058,226
<b>Reserves and Reserve Fund Balances, End of Year</b>	9,899,985	11,601,418	9,378,010



**Corporation of the Town of Perth**  
**Schedule 1 • Composition of Reserves and Reserve Funds**

For the year ended December 31	2019	2018
	\$	\$
<b>Reserves set aside for specific purposes by Council:</b>		
<b>For Operating Purposes</b>		
▸ for working capital	629,397	629,397
▸ for contingencies	3,644,539	2,999,810
▸ for election	4,913	4,913
▸ for business improvement area	91,411	88,140
	<b>4,370,260</b>	<b>3,722,260</b>
<b>For Capital Expenditures</b>		
▸ for future capital expenditure	315,017	302,018
▸ for waterworks and sewer capital	6,765,056	5,204,441
▸ for library purposes	139,966	138,172
	<b>7,220,039</b>	<b>5,644,631</b>
<b>Total Reserves</b>	<b>11,590,299</b>	<b>9,366,891</b>
<b>Reserve Funds</b>		
▸ museum	11,119	11,119
<b>Total Reserves and Reserve Funds</b>	<b>11,601,418</b>	<b>9,378,010</b>



## INDEPENDENT AUDITOR'S REPORT

---

To the Members of Council, Inhabitants and Ratepayers  
of the Corporation of the Town of Perth Business Improvement Area Committee:

### Opinion

We have audited the financial statements of the Corporation of the Town of Perth Business Improvement Area Committee (the 'Entity'), which comprise:

- the statement of financial position as at December 31, 2019;
- the statement of operations and accumulated surplus for the year then ended;
- the statement of changes in net financial assets for the year then ended;
- the statement of cash flows for the year then ended;
- and the notes to the financial statements, including a summary of significant accounting policies;

(Hereinafter referred to as the 'financial statements').

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### Basis for Opinion

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

We are independent of the Entity 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 of 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity 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.
- 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.



Allan and Partners LLP  
Chartered Professional Accountants  
Licensed Public Accountants

Perth, Ontario  
May 26, 2020.

---

**Town of Perth  
Business Improvement Area Committee  
Statement of Financial Position**

December 31	2019	2018
	\$	\$
<b>ASSETS</b>		
<b>Financial Assets</b>		
Due from Town of Perth	91,411	88,140
<b>NET FINANCIAL ASSETS</b>	91,411	88,140
<b>ACCUMULATED SURPLUS</b> (note 3)	91,411	88,140

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

**Town of Perth  
Business Improvement Area Committee  
Statement of Operations**

<b>For the year ended December 31</b>	(Note 4) Budget	<b>2019</b>	2018
	\$	\$	\$
<b>REVENUES</b>			
Taxation	111,200	<b>110,475</b>	101,120
Municipal contribution	---	---	9,000
Government grants	36,600	<b>20,526</b>	33,550
Fees and service charges	61,850	<b>88,996</b>	79,809
Donations	60,500	<b>61,495</b>	58,300
<b>TOTAL REVENUES</b>	270,150	<b>281,492</b>	281,779
<b>EXPENDITURES</b>			
Administrative Salaries and Benefits	68,300	<b>62,897</b>	53,751
Merchant promotion	22,000	<b>18,335</b>	6,409
Stewart Park Festival	149,700	<b>171,000</b>	143,203
Office expenses and travel	6,750	<b>2,925</b>	16,507
Downtown Environment	26,000	<b>23,064</b>	25,292
<b>TOTAL EXPENDITURES</b>	272,750	<b>278,221</b>	245,162
<b>ANNUAL SURPLUS</b>	(2,600)	<b>3,271</b>	36,617
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	88,140	<b>88,140</b>	51,523
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	85,540	<b>91,411</b>	88,140

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

**Town of Perth  
Business Improvement Area Committee  
Statement of Changes in Net Financial Assets**

<b>For the year ended December 31</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>ANNUAL SURPLUS</b>	<b>3,271</b>	<b>36,617</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>88,140</b>	<b>51,523</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>91,411</b>	<b>88,140</b>

**Statement of Cash Flows**

<b>For the year ended December 31</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>OPERATING ACTIVITIES</b>		
Annual surplus	<b>3,271</b>	<b>36,617</b>
<b>Net Change in Non-Cash Working Capital Items</b>		
Due from Town	<b>3,271</b>	<b>36,617</b>
<b>Working Capital from Operations</b>	<b>---</b>	<b>---</b>
<b>NET INCREASE IN CASH</b>	<b>---</b>	<b>---</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>---</b>	<b>---</b>
<b>CASH, END OF YEAR</b>	<b>---</b>	<b>---</b>

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

---

**Town of Perth  
Business Improvement Area Committee  
Notes to the Financial Statements**

**December 31, 2019**

---

**1. Status of the Committee**

Pursuant to the Municipal Act, the Perth Business Improvement Area Committee (the 'Committee') was established by By-law No. 2259 on December 12, 1978.

---

**2. Significant Accounting Policies**

The financial statements of the Perth Business Improvement Area Committee are the representations of management and have been prepared in all material respects in accordance with Canadian Public Sector Accounting Standards. Significant aspects of the accounting policies adopted by the Committee are as follows:

**Reporting Entity**

The financial statements reflect financial assets, liabilities, operating revenues and expenditures, reserves, reserve funds of the Committee.

**Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.

The excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

**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, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

The Committee classifies cash and cash equivalents as held-for-trading financial assets, accounts receivable as loans and receivables, and accounts payable and accrued liabilities as other financial liabilities.

**Measurement Uncertainty**

The preparation of financial statements requires management to make estimates and assumptions that 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 expenditures during the period. Actual results could differ from these estimates. These estimates are reviewed periodically and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.



---

**Town of Perth  
Business Improvement Area Committee  
Notes to the Financial Statements**

**December 31, 2019**

---

**3. Accumulated Surplus**

Accumulated surplus consists of individual fund surplus (deficit) and reserves as follows:

	2019	2018
	\$	\$
<b>Surplus</b>		
Business Improvement Area Committee	---	---
<b>Reserves</b>		
Stewart Park Festival	<b>26,644</b>	44,304
Contingency	<b>64,767</b>	43,836
<b>Accumulated Surplus</b>	<b>91,411</b>	88,140

---

**4. Budget Figures**

Town of Perth Business Improvement Area Committee reviews its operating budget each year. The approved operating budget for 2019 is included in the budget figures presented in the Statement of Operations.

**Town of Perth**  
**Business Improvement Area Committee**  
**Schedule of Continuity of Reserves and Reserve Funds**

For the year ended December 31	(Note 4) Budget	2019	2018
	\$	\$	\$
<b>Net Transfers From / (To) Other Funds</b>			
Transfer from current fund	---	3,271	36,617
<b>Total Net Transfers</b>	---	3,271	36,617
<b>Reserves and Reserve Fund Balance, Change in Year</b>	---	3,271	36,617
<b>Reserves and Reserve Fund Balance, Beginning of Year</b>	88,140	88,140	51,523
<b>Reserves and Reserve Fund Balance, End of Year</b>	88,140	91,411	88,140

**Composition of Reserves**

For the year ended December 31	2019	2018
	\$	\$
<b>Reserves</b>		
Stewart Park Festival	26,644	44,304
Contingency	64,767	43,836
	91,411	88,140

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

## **Management's Responsibility for the Financial Statements**

---

The accompanying financial statements of the Perth & District Union Public Library Board are the responsibility of the Board's management and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards. A summary of significant accounting policies are described in note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Board's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of financial statements. These systems are monitored and evaluated by management.

The Board meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to Council approval of the financial statements.

The financial statements have been audited by Allan and Partners LLP, independent external auditors appointed by the Board. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's financial statements.

---

Julie Hansen, Acting CEO



## INDEPENDENT AUDITOR'S REPORT

---

To the Members of Council, Inhabitants and Ratepayers  
of the Perth & District Union Public Library Board:

### Opinion

We have audited the financial statements of the Perth & District Union Public Library Board (the 'Entity'), which comprise:

- the statement of financial position as at December 31, 2019;
- the statement of operations and accumulated surplus for the year then ended;
- the statement of changes in net financial assets for the year then ended;
- the statement of cash flows for the year then ended;
- and the notes to the financial statements, including a summary of significant accounting policies;

(Hereinafter referred to as the 'financial statements').

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### Basis for Opinion

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

We are independent of the Entity 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 of 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity 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.
- 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.



Allan and Partners LLP  
Chartered Professional Accountants  
Licensed Public Accountants

Perth, Ontario  
April 20, 2020.

**Perth & District Union Public Library Board  
Statement of Financial Position**

December 31	2019	2018
	\$	\$
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash	360,640	322,190
Accounts receivable	27,010	89,612
	<b>387,650</b>	411,802
<b>LIABILITIES</b>		
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	29,056	57,318
	<b>358,594</b>	354,484
<b>NET FINANCIAL ASSETS</b>	<b>358,594</b>	354,484
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 4) (Schedule 2)	523,996	505,075
<b>ACCUMULATED SURPLUS</b> (note 3)	<b>882,590</b>	859,559

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

**Perth & District Union Public Library Board  
Statement of Operations and Accumulated Surplus**

For the year ended December 31	(Note 6) Budget	2019	2018
	\$	\$	\$
<b>REVENUES</b>			
Government Grants			
Municipal Grants ▶ Perth	211,856	<b>212,138</b>	207,325
▶ Tay Valley	166,474	<b>166,141</b>	162,908
▶ Drummond/North Elmsley	165,170	<b>165,221</b>	161,667
Provincial Grants ▶ Operating	42,800	<b>42,817</b>	42,817
Other Grants	6,500	<b>14,070</b>	16,878
User Charges ▶ fees and service charges	6,550	<b>8,344</b>	7,765
Other Income			
Fines, other	10,000	<b>11,122</b>	10,850
Interest	5,500	<b>6,833</b>	7,581
Rentals	700	<b>1,835</b>	970
Book sales	3,000	<b>4,010</b>	3,230
Donations	43,300	<b>152,683</b>	53,741
<b>TOTAL REVENUES</b>	661,850	<b>785,214</b>	675,732
<b>EXPENSES</b>			
Amortization ▶ books	---	<b>52,737</b>	52,521
▶ building	---	<b>53,867</b>	38,616
▶ equipment and shelving	---	<b>1,078</b>	9,229
▶ leasehold improvements	---	<b>2,639</b>	2,639
Salaries, wages and employee benefits	443,400	<b>432,966</b>	413,865
Periodicals, newspapers and Ebooks	10,200	<b>11,723</b>	10,957
Utilities, telephone	21,000	<b>14,663</b>	15,021
Special programs, activities	51,500	<b>46,577</b>	47,131
Insurance, professional fees	17,000	<b>27,508</b>	22,617
Internet, videos, miscellaneous	4,250	<b>5,075</b>	3,274
Library, photocopy supplies	12,000	<b>12,034</b>	11,115
Technology	7,000	<b>8,005</b>	12,949
Maintenance and repairs	15,000	<b>35,710</b>	27,435
Fire hall lease and operations	6,000	<b>3,095</b>	7,959
Donation to Perth and District Community Foundation (note 6)	---	<b>54,506</b>	---
<b>TOTAL EXPENSES</b>	587,350	<b>762,183</b>	675,328
<b>ANNUAL SURPLUS</b>	74,500	<b>23,031</b>	404
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	859,559	<b>859,559</b>	859,155
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	934,059	<b>882,590</b>	859,559

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



**Perth & District Union Public Library Board  
Statement of Changes in Net Financial Assets**

For the year ended December 31	2019	2018
	\$	\$
<b>ANNUAL SURPLUS</b>	<b>23,031</b>	404
Amortization of tangible capital assets	<b>110,311</b>	103,005
Acquisition of tangible capital assets	<b>(129,242)</b>	(52,878)
	<b>(18,921)</b>	50,127
<b>INCREASE IN NET FINANCIAL ASSETS</b>	<b>4,110</b>	50,531
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>354,484</b>	303,953
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>358,594</b>	354,484

**Statement of Cash Flows**

For the year ended December 31	2019	2018
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Annual surplus for the year	<b>23,031</b>	404
Amortization	<b>110,321</b>	103,005
	<b>133,352</b>	103,409
<b>Net Change in Non-Cash Working Capital Items</b>		
Accounts receivable	<b>62,602</b>	(73,836)
Accounts payable and accrued liabilities	<b>(28,262)</b>	(94,408)
	<b>34,340</b>	(168,244)
<b>Working Capital from Operations</b>	<b>167,692</b>	(64,835)
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	<b>(129,242)</b>	(52,878)
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>38,450</b>	(117,713)
<b>CASH, BEGINNING OF YEAR</b>	<b>322,190</b>	439,903
<b>CASH, END OF YEAR</b>	<b>360,640</b>	322,190

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

---

# Perth & District Union Public Library Board Notes to the Financial Statements

December 31, 2019

---

## 1. Status of the Board

The Perth & District Union Public Library Board (the 'Board') was formed November 14, 1983 pursuant to the Public Libraries Act and an agreement between the Town of Perth and the Township of Bathurst, Drummond, North Burgess, North Elmsley and South Sherbrooke. Subsequently, the Township of Drummond and North Elmsley amalgamated as the Township of Drummond/North Elmsley and the remaining three townships amalgamated as Tay Valley Township.

---

## 2. Significant Accounting Policies

The financial statements of the Perth & District Union Public Library Board are the representations of management and have been prepared in all material respects in accordance with Canadian Public Sector Accounting Standards for local governments as recommended by the Public Sector Accounting Board ('PSAB') of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies by the Board are as follows:

### Reporting Entity

The financial statements reflect financial assets, liabilities, operating revenues and expenses, reserves, reserve funds and changes in investment in tangible capital assets of the Board.

### Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.

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 revenues over expenses, provides the Change in Net Financial Assets for the year.

### Tangible Capital Assets

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

Assets	Estimated Useful Life
Land	
Building	40 years
Leasehold Improvements	10 years
Books	7 years
Shelving	10 years
Machinery and Equipment	5 years

---

## Perth & District Union Public Library Board Notes to the Financial Statements

**December 31, 2019**

---

### 2. **Significant Accounting Policies** / continued

#### **Tangible Capital Assets** / continued

Amortization is charged from the date of acquisition. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

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. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of other assets as of the date of transfer.

When tangible capital assets are disposed of, either by way of a sale, destruction or loss, or abandonment of the asset, the asset's net book value, historical cost less accumulated amortization, is written off. Any resulting gain or loss, equal to the proceeds on disposal less the asset's net book value, is reported on the statement of operations in the year of disposal. Transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

When conditions indicate that a tangible capital asset no longer contributes to the Board's ability to provide services or the value of the future economic benefits associated with the tangible capital asset are less than its net book value, and the decline is expected to be permanent, the cost and accumulated amortization of the asset are reduced to reflect the revised estimate of the value of the asset's remaining service potential. The resulting net adjustment is reported as an expense on the statement of operations.

#### **Cash and Cash Equivalents**

The Board considers cash and cash equivalents to be highly liquid investments with original maturities of three months or less.

#### **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, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

#### **Deferred Revenues**

The Board defers recognition of 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.

The Board receives restricted contributions under the authority of Federal and Provincial legislation and Board by-laws. These funds by their nature are restricted in their use and until applied to applicable costs are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

---

## Perth & District Union Public Library Board Notes to the Financial Statements

**December 31, 2019**

---

### 2. **Significant Accounting Policies** / continued

#### **Deferred Revenues** / continued

Deferred revenue represents certain user charges and fees which have been collected but for which the related services have yet to be performed. Deferred revenue also represents contributions that the Board has received pursuant to legislation, regulation or agreement that may only be used for certain programs or in the completion of specific work. These amounts are recognized as revenue in the fiscal year the services are performed or related expenses incurred.

#### **Financial Instruments**

All financial instruments are initially recognized at fair value on the statement of financial position. The Board has classified each financial instrument into one of the following categories: held-for-trading financial assets and liabilities, loans and receivables, held-to-maturity financial assets and other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Held-for-trading financial assets and liabilities are subsequently measured at fair value with changes in those fair values recognized in net revenues.

Loans and receivables, held-to-maturity financial assets and other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The Board classifies cash and cash equivalents as held-for-trading financial assets, accounts receivable as loans and receivables, and accounts payable and accrued liabilities as other financial liabilities.

#### **Measurement Uncertainty**

The preparation of financial statements requires management to make estimates and assumptions that 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. Actual results could differ from these estimates. These estimates are reviewed periodically and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

---

**Perth & District Union Public Library Board  
Notes to the Financial Statements**

**December 31, 2019**

**3. Accumulated Surplus**

Accumulated surplus consists of individual fund surplus (deficit) and reserves as follows:

	2019	2018
	\$	\$
<b>Surplus</b>		
Invested in tangible capital assets	523,996	505,075
<b>Reserves</b>		
Insurance	10,000	10,000
Capital	127,143	65,090
Contingency	19,695	19,695
Infrastructure	148,355	195,355
Literacy	53,401	9,838
Books	---	43,025
Donations and bequest	---	11,481
<b>Total Reserves</b>	358,594	354,484
<b>Accumulated Surplus</b>	882,590	859,559

**4. Tangible Capital Assets**

<b>Net Book Value of Assets</b>	2019	2018
	\$	\$
Land	125,000	125,000
Buildings	227,690	205,300
Leasehold improvements	13,198	15,837
Books	155,228	154,980
Machinery and equipment	2,880	3,958
	523,996	505,075

For additional information, see Schedule 2 ▶ Tangible Capital Assets.

---

## Perth & District Union Public Library Board Notes to the Financial Statements

**December 31, 2019**

---

### **5. Risk Management**

In the normal course of operations, the Board is exposed to a variety of financial risks which are actively managed by the Board.

The Board's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities. The fair values of cash, investments, accounts payable and accrued liabilities approximate their carrying values because of their expected short term maturity and treatment on normal trade terms.

The Board's exposure to and management of risk has not changed materially from December 31, 2018.

#### **Credit Risk**

Credit risk arises from the possibility that the entities to which the Board provides services to may experience difficulty and be unable to fulfill their obligations. The Board is exposed to financial risk that arises from the credit quality of the entities to which it provides services. The Board does not have a significant exposure to any individual customer or counter party. As a result, the requirement for credit risk related reserves for accounts receivable is minimal.

#### **Interest Rate Risk**

Interest rate risk arises from the possibility that the value of, or cash flows related to, a financial instrument will fluctuate as a result of changes in market interest rates. The Board is exposed to financial risk that arises from the interest rate differentials between the market interest rate and the rates on its cash and cash equivalents. Changes in variable interest rates could cause unanticipated fluctuations in the Board's operating results.

#### **Liquidity Risk**

Liquidity risk is the risk that the Board will not be able to meet its obligations as they fall due. The Board requires working capital to meet day-to-day operating activities. Management expects that the Board's cash flows from operating activities will be sufficient to meet these requirements.

---

**Perth & District Union Public Library Board  
Notes to the Financial Statements**

**December 31, 2019**

---

**6. Endowment Fund**

The Perth & District Community Foundation holds and invests in two Endowment Funds providing the Perth & District Union Public Library Board with annual distributions which are outlined in each Fund Agreement on behalf of the Library Board.

	Collection Fund	Donation & Bequest	<b>Total</b>
	\$	\$	\$
Opening Endowment Fund Balance	---	---	---
Contributions to Endowment Fund by Perth & District Union Public Library Board	43,025	11,481	<b>54,506</b>
	43,025	11,481	<b>54,506</b>

Contributions to the Perth & District Community Foundation Endowment Funds by Perth & District Union Public Library Board are reflected as contributions to the endowment fund in the year contributed.

---

**7. Budget Figures**

Perth & District Union Public Library Board reviews its operating and capital budgets each year. The approved operating budget for 2019 is included in the budget figures presented in the Statement of Operations.

---

**Perth & District Union Public Library Board  
Schedule 1 ▶ Continuity of Reserves**

For the year ended December 31	(Note 6) Budget	2019	2018
	\$	\$	\$
<b>Net Transfers From / (To) Other Funds</b>			
Transfers from operations	23,000	<b>148,003</b>	61,544
Transfers to capital acquisitions	(80,000)	<b>(89,387)</b>	(11,013)
Transfers to Foundation	---	<b>(54,506)</b>	---
<b>Total Net Transfers Approved By Board</b>	(57,000)	<b>4,110</b>	50,531
<b>Reserves, Change in Year</b>	(57,000)	<b>4,110</b>	50,531
<b>Reserves, Beginning of Year</b>	354,484	<b>354,484</b>	303,953
<b>Reserves, End of Year</b>	297,484	<b>358,594</b>	354,484

**Composition of Reserves**

For the year ended December 31	2019	2018
	\$	\$
<b>Reserves</b>		
Insurance	<b>10,000</b>	10,000
Contingency	<b>19,695</b>	19,695
Literacy	<b>53,401</b>	9,838
Donations and bequest	---	11,481
	<b>83,096</b>	51,014
<b>For Capital Purposes</b>		
Capital	<b>127,143</b>	65,090
Building	<b>148,355</b>	195,355
Books	---	43,025
	<b>275,498</b>	303,470
<b>Total Reserves</b>	<b>358,594</b>	354,484

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



**Perth & District Union Public Library Board  
Schedule 2 ▶ Tangible Capital Assets**

**December 31, 2019**

Assets	Cost 01/01/19	Additions	(Disposals)	Cost 31/12/19	Accumulated Amortization 01/01/19	Additions	(Disposals)	Accumulated Amortization 31/12/19	Net Book Value 31/12/19
	\$	\$		\$	\$			\$	\$
Land	125,000	---	---	125,000	---	---	---	---	125,000
Building	871,429	76,257	---	947,686	666,129	53,867	---	719,996	227,690
Leasehold Improvements	25,592	---	---	25,592	9,755	2,639	---	12,394	13,198
Books	547,860	52,985	(51,473)	549,372	392,880	52,737	(51,473)	394,144	155,228
Shelving	84,627	---	---	84,627	84,627	---	---	84,627	---
Machinery & Equipment	59,941	---	---	59,941	55,983	1,078	---	57,061	2,880
	<b>1,714,449</b>	<b>129,242</b>	<b>(51,473)</b>	<b>1,792,218</b>	<b>1,209,374</b>	<b>110,321</b>	<b>(51,473)</b>	<b>1,268,222</b>	<b>523,996</b>

**December 31, 2018**

Assets	Cost 01/01/18	Additions	(Disposals)	Cost 31/12/18	Accumulated Amortization 01/01/18	Additions	(Disposals)	Accumulated Amortization 31/12/18	Net Book Value 31/12/18
	\$	\$		\$	\$	\$		\$	\$
Land	125,000	---	---	125,000	---	---	---	---	125,000
Building	871,429	---	---	871,429	627,513	38,616	---	666,129	205,300
Leasehold Improvements	25,592	---	---	25,592	7,116	2,639	---	9,755	15,837
Books	551,257	49,249	(52,646)	547,860	393,005	52,521	(52,646)	392,880	154,980
Shelving	84,627	---	---	84,627	84,627	---	---	84,627	---
Machinery & Equipment	56,312	3,629	---	59,941	46,754	9,229	---	55,983	3,958
	<b>1,714,217</b>	<b>52,878</b>	<b>(52,646)</b>	<b>1,714,449</b>	<b>1,159,015</b>	<b>103,005</b>	<b>(52,646)</b>	<b>1,209,374</b>	<b>505,075</b>

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