

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

# **THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**

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**YEAR ENDED DECEMBER 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Council, Inhabitants and Ratepayers of: The Corporation of the Township of Melancthon

### Opinion

We have audited the accompanying consolidated financial statements of The Corporation of the Township of Melancthon, which comprise the consolidated statement of financial position as at December 31, 2024 and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Corporation of the Township of Melancthon as at December 31, 2024 and the consolidated results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis of Opinion

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or 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 corporation'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 corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Guelph, Ontario  
June 19, 2025

Chartered Professional Accountants  
Licensed Public Accountants

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2024**

	<b>2024</b>	<b>2023</b> (note 19)
<b>FINANCIAL ASSETS</b>		
Cash and portfolio investments (note 2)	\$ 5,808,699	\$ 4,964,565
Taxes receivable	854,280	876,439
Accounts receivable	267,953	667,758
Long term receivables (note 3)	<u>35,390</u>	<u>44,487</u>
	<u>6,966,322</u>	<u>6,553,249</u>
<b>LIABILITIES</b>		
Operating loans (note 4)	290,000	310,000
Accounts payable and accrued liabilities	993,426	971,048
Asset retirement obligation (note 5)	309,015	295,002
Long term debt (note 6)	123,687	182,748
Deferred revenue - obligatory reserve funds (note 7)	1,218,093	1,056,180
Deferred revenue - other	<u>15,978</u>	<u>57,161</u>
	<u>2,950,199</u>	<u>2,872,139</u>
<b>NET FINANCIAL ASSETS</b>	<u>4,016,123</u>	<u>3,681,110</u>
<b>NON - FINANCIAL ASSETS</b>		
Tangible capital assets (schedule 2)	13,428,743	13,177,123
Inventories	70,961	62,706
Prepaid expenses	<u>106,525</u>	<u>104,968</u>
	<u>13,606,229</u>	<u>13,344,797</u>
<b>ACCUMULATED SURPLUS</b> (schedule 3)	<u>\$ 17,622,352</u>	<u>\$ 17,025,907</u>

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<b>2024 Budget (note 8)</b>	<b>2024 Actual</b>	<b>2023 Actual (note 19)</b>
<b>REVENUES</b>			
Taxation	\$ 3,351,129	\$ 3,389,425	\$ 3,141,688
User charges	86,900	119,325	197,601
Grants (note 10)	408,860	438,402	527,094
Other income (note 11)	954,844	1,150,693	1,263,040
Loss on disposal of tangible capital assets	0	(64,823)	(61,202)
Obligatory reserve fund revenue recognized (note 7)	<u>760,000</u>	<u>128,020</u>	<u>392,065</u>
	<u>5,561,733</u>	<u>5,161,042</u>	<u>5,460,286</u>
<b>EXPENSES</b> (schedule 1)			
General government	960,791	901,893	788,758
Protection to persons and property	1,050,263	810,928	849,219
Transportation services	2,634,912	2,377,780	2,450,187
Environmental services	27,691	54,106	39,255
Recreation and cultural services	207,859	326,807	441,384
Planning and development	<u>270,000</u>	<u>93,083</u>	<u>57,754</u>
	<u>5,151,516</u>	<u>4,564,597</u>	<u>4,626,557</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 410,217</u>	<u>\$ 596,445</u>	<u>\$ 833,729</u>
<b>ACCUMULATED SURPLUS at beginning of year</b>		\$ 17,025,907	\$ 16,192,178
Annual surplus		<u>596,445</u>	<u>833,729</u>
<b>ACCUMULATED SURPLUS at end of year</b>		<u>\$ 17,622,352</u>	<u>\$ 17,025,907</u>

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<b>2024 Budget (note 8)</b>	<b>2024 Actual</b>	<b>2023 Actual (note 19)</b>
<b>ANNUAL SURPLUS</b>	\$ <u>410,217</u>	\$ <u>596,445</u>	\$ <u>833,729</u>
Acquisition of tangible capital assets	(1,125,000)	(1,296,015)	(1,964,269)
Amortization of tangible capital assets	918,747	979,899	918,747
Loss on disposal of tangible capital assets	0	64,823	61,202
Consolidated boards opening changes (schedule 2)	<u>0</u>	<u>(327)</u>	<u>2,182</u>
	<u>(206,253)</u>	<u>(251,620)</u>	<u>(982,138)</u>
Use of (additions to) inventories	0	(8,255)	(22,223)
Use of (additions to) prepaid expenses	<u>0</u>	<u>(1,557)</u>	<u>(11,256)</u>
	<u>0</u>	<u>(9,812)</u>	<u>(33,479)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	\$ <u>203,964</u>	335,013	(181,888)
<b>NET FINANCIAL ASSETS at beginning of year</b>		<u>3,681,110</u>	<u>3,862,998</u>
<b>NET FINANCIAL ASSETS at end of year</b>		\$ <u>4,016,123</u>	\$ <u>3,681,110</u>

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<b>2024</b>	<b>2023</b> (note 19)
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Annual surplus	\$ <u>596,445</u>	\$ <u>833,729</u>
Items not requiring an outlay of cash		
Amortization	979,899	918,747
Loss on disposal of tangible capital assets	64,823	61,202
Change in asset retirement obligation	<u>14,013</u>	<u>13,377</u>
	<u>1,058,735</u>	<u>993,326</u>
Net changes in non-cash working capital		
Taxes receivable	22,159	(108,921)
Accounts receivable	399,805	(432,264)
Prepaid expenses	(1,557)	(11,256)
Inventories	(8,255)	(22,223)
Accounts payable and accrued liabilities	22,378	137,549
Deferred revenue - obligatory reserve funds	161,913	(87,239)
Deferred revenue - other	<u>(41,183)</u>	<u>0</u>
	<u>555,260</u>	<u>(524,354)</u>
	<u>2,210,440</u>	<u>1,302,701</u>
<b>CASH PROVIDED BY (USED IN) CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(1,296,015)	(1,964,269)
Consolidated boards opening change in amortization (schedule 2)	<u>(327)</u>	<u>2,182</u>
	<u>(1,296,342)</u>	<u>(1,962,087)</u>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Operating loans	(20,000)	290,000
Net change in long term debt	<u>(59,061)</u>	<u>(56,940)</u>
	<u>(79,061)</u>	<u>233,060</u>
<b>CASH PROVIDED BY INVESTING ACTIVITIES</b>		
Net change in long term receivables	<u>9,097</u>	<u>8,582</u>
<b>NET INCREASE (DECREASE) IN CASH AND PORTFOLIO INVESTMENTS</b>	<u>844,134</u>	<u>(417,744)</u>
<b>CASH AND PORTFOLIO INVESTMENTS, beginning of year</b>	<u>4,964,565</u>	<u>5,382,309</u>
<b>CASH AND PORTFOLIO INVESTMENTS, end of year</b>	\$ <u>5,808,699</u>	\$ <u>4,964,565</u>



**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of The Corporation of the Township of Melancthon are the representation of management prepared in accordance with Canadian generally accepted accounting principles for governments as established by the Public Sector Accounting Board of CPA Canada. Significant accounting policies adopted by The Corporation of the Township of Melancthon are as follows:

**(a) ACKNOWLEDGEMENT OF RESPONSIBILITY**

The management of The Corporation of the Township of Melancthon acknowledges its responsibility for the creation and compilation of the consolidated financial statements and the following significant accounting policy decisions and related policy notes.

**(b) BASIS OF CONSOLIDATION**

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of all municipal organizations, committees and boards which are owned or controlled by Council.

All interfund assets, liabilities, revenues and expenses have been eliminated on consolidation.

The following boards and municipal enterprises owned or controlled by Council have been consolidated:

Horning's Mills Cemetery Board  
St. Paul's Cemetery Board  
Horning's Mills Community Park  
Horning's Mills Community Hall

A government partnership exists where the municipality has shared control over the board or entity. The municipality's pro-rata share of the assets, liabilities, revenues and expenses are reflected in the consolidated financial statements using the proportionate consolidation method. The municipality's proportionate interest of the following government partnerships are reflected in the consolidated financial statements:

Shelburne and District Fire Department	13.48% (2023 - 14.40%)
Mulmur-Melancthon Volunteer Fire Department	22.53% operating, 50.00% capital (2023 - 23.46%, 50.00% capital)
North Dufferin Community Centre	0% operating (2023 - 50.00% operating)

**(c) BASIS OF ACCOUNTING**

(i) Sources of financing and expenditures are reported on the accrual basis of accounting. The interest charges are not accrued for the periods from the dates of the latest instalment payments to the end of the financial year.

(ii) 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 MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(d) USE OF ESTIMATES**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates 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. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from management's best estimates as additional information becomes available in the future. Significant areas requiring management's estimates include amortization of tangible capital assets and asset retirement obligation.

**(e) CREDIT RISK MANAGEMENT**

The municipality is exposed to credit risk on the taxes receivable from its ratepayers.

The municipality does not have a significant exposure to any individual customer or counterpart.

**(f) TRUST FUNDS**

Funds held in trust by the municipality, and their related operations, are not included in these consolidated financial statements. The financial activity and position of the trust funds are reported separately on the trust funds' statement of continuity and statement of financial position.

**(g) PORTFOLIO INVESTMENTS**

Portfolio investments are recorded at amortized cost unless there has been a decline in the market value, which is other than temporary in nature, in which case the investments are written down to market.

**(h) INVENTORIES**

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

**(i) REVENUE RECOGNITION**

Revenues are recognized as follows:

Taxation revenue is recognized in the period in which the tax is levied.

User charges are recognized when the related service is provided.

Grants and obligatory reserve fund revenues are recognized based on the terms of the grant or in the year that the related expenses occur.

Other income is recognized when receivable and collection is reasonably assured.

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(j) COUNTY AND SCHOOL BOARDS

The municipality collects taxation revenue on behalf of the school boards and the County of Dufferin. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the County of Dufferin are not reflected in these consolidated financial statements. See note 9 for details.

(k) 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 revenues over expenses, provides the change in net financial assets for the year.

(i) Tangible capital assets

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

Land improvements	10 to 50 years
Facilities	15 to 100 years
Vehicles	5 to 50 years
Equipment	5 to 75 years
Infrastructure - Environmental	3 to 75 years
Infrastructure - Transportation	3 to 75 years

Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

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

(iii) 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.

(l) FINANCIAL INSTRUMENTS

The municipality classifies all of its financial instruments at amortized cost. The maximum exposure to credit risk is the carrying value of the financial instruments. These financial instruments include cash and portfolio investments, accounts receivable, long term receivables, operating loans, accounts payable and accrued liabilities, and long term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(I) FINANCIAL INSTRUMENTS (continued)

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument. Writedowns of financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net realizable value with the writedown being recognized in the consolidated statement of operations.

**2. CASH AND PORTFOLIO INVESTMENTS**

	<b>2024</b>	<b>2023</b>
Unrestricted cash	\$ 4,608,968	\$ 3,873,428
Unrestricted portfolio investments	<u>2,638</u>	<u>12,889</u>
	4,611,606	3,886,317
Restricted cash	<u>1,197,093</u>	<u>1,078,248</u>
	<u>\$ 5,808,699</u>	<u>\$ 4,964,565</u>

Unrestricted cash includes \$2,908,544 (2023 - \$2,402,766) held in one account at a chartered bank. Interest is earned on this account at a rate of prime less 2.05% (2023 - prime less 2.05%).

Portfolio investments consist of various GICs with interest rates ranging from 1.50% to 4.0% (2023 - 1.5% to 4.5%) maturing between June 2025 to June 2028 (2023 - June 2024 to June 2028).

**3. LONG TERM RECEIVABLES**

The responsibility for payment of principal and interest charges of the tile drainage loans has been assumed by individuals.

	<b>2024</b>	<b>2023</b>
Two loans are charged interest at a rate of 6% and become due in 2027 - 2028	\$ <u>35,390</u>	\$ <u>44,487</u>

Principal payments for the next five years are as follows:

2025	\$ 9,643
2026	10,221
2027	10,835
2028	<u>4,691</u>
	<u>\$ 35,390</u>

**4. OPERATING LOANS**

The operating loans are due on demand and bear interest at a rate of prime less 0.75%, calculated and payable monthly. At December 31, 2024, the municipality had undrawn credit capacity of \$210,000 (2023 - \$190,000).

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

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**5. ASSET RETIREMENT OBLIGATION**

Asset retirement obligation requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, removal of ground water and leachates, and ongoing environmental monitoring, site inspection and maintenance.

Effective June 1, 2013, the County of Dufferin assumed the landfill from the municipality and the landfill site ceased active operations and stopped accepting solid waste from ratepayers. No estimate of the existing liability based on the landfill capacity used up until the assumption date is available. Therefore, the estimates in the report dated 2008 will be used until an updated report is available. The liability for the landfill site is recorded at \$309,015 (2023 - \$295,002) and represents the present value of closure and post-closure costs for 62% of the current site's opened cells, using an average long term borrowing rate of 4.75%. The liability is recorded based on the capacity of the landfill used to date. The total estimated future expenses for closure and post-closure care are \$501,995 (2023 - \$479,232) leaving an amount to be recognized in future periods of \$192,980 (2023 - \$184,230). The estimated remaining capacity of the site's opened cells is approximately 140,700 tonnes, which was expected to be filled in 3 years. Post-closure care is estimated to continue for a period of 25 years.

The municipality has established a reserve fund to assist in financing the future costs of closure and post-closure liabilities. At December 31, 2024, there was \$176,585 available in the reserve fund.

**6. LONG TERM DEBT**

The balance of long term liabilities reported on the consolidated statement of financial position is made up of the following:

	<b>2024</b>	<b>2023</b>
Loan payable, 3.18%, repayable in monthly instalments of \$3,409 principal and interest, due December 2025, unsecured	\$ 40,090	\$ 79,048
Tile drainage loans, 6%, annual payments of principal and interest ranging from \$4,973 - \$6,793, due between 2027 - 2028	35,390	44,487
Loan payable, 3.63%, repayable in semi-annual instalments of \$6,528 principal and interest, due December 2028, unsecured	<u>48,207</u>	<u>59,213</u>
	<u>\$ 123,687</u>	<u>\$ 182,748</u>

Principal payments required on the loans payable for the next five years are as follows:

2025	\$ 61,142
2026	22,048
2027	23,095
2028	<u>17,402</u>
	<u>\$ 123,687</u>

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**7. DEFERRED REVENUE**

	2024 Opening	Contributions Received	Investment Income	Revenue Recognized	2024 Ending
<b>Obligatory Reserve Funds</b>					
Development charges	\$ 1,029,191	\$ 132,468	\$ 55,791	\$ (28,020)	\$ 1,189,430
Recreational land	2,844	280	627	0	3,751
Subdivider - park levies	21,000	0	0	0	21,000
Federal Gas Tax	<u>3,145</u>	<u>99,957</u>	<u>810</u>	<u>(100,000)</u>	<u>3,912</u>
	<u>\$ 1,056,180</u>	<u>\$ 232,705</u>	<u>\$ 57,228</u>	<u>\$ (128,020)</u>	<u>\$ 1,218,093</u>

**8. BUDGET AMOUNTS**

The budget figures are presented for comparison purposes as prepared and approved by council, reclassified to conform to the current financial statement presentation. The budgeted figures are prepared on the cash basis of accounting and have been restated to conform to the accrual basis of accounting on which the actual figures are reported. The following chart reconciles the approved budget with the budget figures as presented in these consolidated financial statements:

**Revenue**

Approved budget \$ 5,561,733

**Expenses**

Approved budget	5,561,733
Acquisition of tangible capital assets	(1,125,000)
Debt principal repayments	(53,964)
Transfers to reserve funds, net	(150,000)
Amortization	<u>918,747</u>
<b>Total expenses</b>	<u>5,151,516</u>

ANNUAL SURPLUS \$ 410,217

**9. OPERATIONS OF THE SCHOOL BOARDS AND THE COUNTY OF DUFFERIN**

During the year, the following taxation revenue was raised and remitted to the school boards and the County of Dufferin:

	2024	2023
School boards	\$ 1,295,571	\$ 1,280,021
County of Dufferin	<u>2,545,755</u>	<u>2,353,032</u>
	<u>\$ 3,841,326</u>	<u>\$ 3,633,053</u>

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**10. GRANTS**

	<b>2024 Budget (note 8)</b>	<b>2024 Actual</b>	<b>2023 Actual (note 19)</b>
<b>Operating</b>			
Province of Ontario			
Ontario Municipal Partnership Fund (OMPF)	\$ 168,900	\$ 168,900	\$ 175,300
Conditional - roads	100,000	86,573	97,967
Conditional - drainage	25,000	0	92,120
Conditional - other	114,960	182,929	128,479
	<u>408,860</u>	<u>438,402</u>	<u>493,866</u>
Other municipalities - recreation	0	0	33,228
	<u>\$ 408,860</u>	<u>\$ 438,402</u>	<u>\$ 527,094</u>

**11. OTHER INCOME**

	<b>2024 Budget (note 8)</b>	<b>2024 Actual</b>	<b>2023 Actual</b>
CHD community contributions	\$ 309,000	\$ 309,000	\$ 309,000
Dufferin Wind community contributions	264,000	291,170	285,460
Investment income	100,000	232,503	229,977
Penalties and interest on taxation	105,000	117,250	116,680
Licenses, permits and rents	85,114	33,306	32,639
Other fines and penalties	56,730	61,022	61,825
Plateau community contributions	35,000	37,998	36,763
Drainage works	0	0	186,297
Sale of publications, equipment, land, etc.	0	68,444	4,399
	<u>\$ 954,844</u>	<u>\$ 1,150,693</u>	<u>\$ 1,263,040</u>

**12. PENSION AGREEMENTS**

The municipality joined Ontario Municipal Employees Retirement Systems (OMERS), which is a multi-employer plan, in 2016. 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.

The amount contributed to OMERS for 2024 was \$83,912 (2023 - \$70,224) on behalf of 11 members (2023 - 11 members) of its staff. Amounts paid for current services have been included as an expenditure on the Consolidated Statement of Operations. There are no past service contribution obligations.

The OMERS financial statements reported \$138.4 billion in net assets available for benefits (2023 - \$128.8 billion), \$140.8 billion as the defined benefit accrued pension obligation (2023 - \$134.6 billion) and a defined benefit funding deficit of \$2.9 billion (2023 - \$4.2 billion).

**13. TRUST FUNDS**

The trust funds administered by the municipality amounting to \$53,046 (2023 - \$46,884) have not been included in the consolidated statement of financial position, nor have the operations been included in the consolidated statement of operations.

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

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**14. DEVELOPER AGREEMENTS**

As part of various developer agreements, the municipality has received Letters of Credit to cover developers' responsibilities in completing the projects as well as covering unpaid municipal levies. Letters of Credit held by the municipality at December 31, 2024 amount to \$1,907,783.

**15. COMMITMENTS**

The municipality entered into a contribution agreement with a company that provides commercial generation of electricity in the Township of Melancthon.

- i) Phase I of the project consists of 45 wind turbine generators. The company will pay the sum of \$45,000 to the Township of Melancthon on or before March 31 for each year from 2007 through and including 2026.
- ii) Phase II of the project consists of 66 wind turbine generators. The company will pay the sum of \$264,000 to the Township of Melancthon on or before November for each year from 2009 through and including 2028.

The municipality has entered into an agreement to purchase a plow truck for delivery in fiscal 2025 in the amount of \$371,455 plus taxes.

**16. FINANCIAL INSTRUMENT RISK MANAGEMENT**

Credit Risk

The municipality is exposed to credit risk through the possibility of non-collection of accounts receivable. The majority of its receivables are from ratepayers and government entities. For accounts receivable, the municipality measures impairment based on how long the amounts have been outstanding. For amounts outstanding greater than 91 days, an impairment allowance may be set up. The amounts outstanding at year end, which is the municipality's maximum exposure to credit risk related to accounts receivable, were as follows:

	0 - 30 days	31 - 90 days	91 - 365 days	1 - 2 years	3 - 5 years
Taxes receivable	\$ 0	\$ 0	\$ 640,417	\$ 211,577	\$ 2,286
Accounts receivable	12,746	41,367	213,840	0	0
Long term receivable	<u>0</u>	<u>0</u>	<u>9,643</u>	<u>21,056</u>	<u>4,691</u>
Total	<u>\$ 12,746</u>	<u>\$ 41,367</u>	<u>\$ 863,900</u>	<u>\$ 232,633</u>	<u>\$ 6,977</u>



**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

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**16. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)**

Liquidity Risk

Liquidity risk is the risk that the municipality will not be able to meet its financial obligations as they fall due. The municipality undertakes a planning and budgeting process to help determine the funds required to support the municipality's normal operating requirements on an ongoing basis. The municipality ensures that there are sufficient funds to meet its short term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and portfolio investments. To achieve this aim, it seeks to maintain an available line of credit balance as approved by the appropriate borrowing bylaw to meet, at a minimum, expected requirements for a period of at least 90 days. The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	0 - 30 days	31 - 90 days	91 - 365 days	1 - 2 years	3 - 5 years
Operating loans	\$ 290,000	\$ 0	\$ 0	\$ 0	0
Accounts payable and accrued liabilities	403,558	35,698	39,363	25,135	489,672
Long term debt	<u>0</u>	<u>0</u>	<u>61,142</u>	<u>45,143</u>	<u>17,402</u>
Total	<u>\$ 693,558</u>	<u>\$ 35,698</u>	<u>\$ 100,505</u>	<u>\$ 70,278</u>	<u>\$ 507,074</u>

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The municipality is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the variable rate of certain long term liabilities.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure risks.

**17. SEGMENTED INFORMATION**

The Corporation of the Township of Melancthon is a diversified municipal government institution that provides a wide range of services to its ratepayers such as police, fire, sewer, water, waste collection, disposal and recycling, recreational, library and planning. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government

This item relates to the revenues and expenses that relate to the governance and operations of the municipality itself and cannot be directly attributed to a specific segment.

Protection to Persons and Property

Protection is comprised of police services, fire protection, conservation authority, emergency measures, animal control and building and structural inspection. The police services ensure the safety and protection of the ratepayers and their property. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education. The members of the fire department consist of volunteers. The building department provides a number of services including maintenance and enforcement of building and construction codes and review of all property development plans through its application process.

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

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**17. SEGMENTED INFORMATION (continued)**

Transportation

Transportation is responsible for construction and maintenance of the municipality's roadways, bridges, parking areas and streetlights.

Environmental

Environmental services consist of providing waste collection, disposal and recycling to its ratepayers.

Health

Health services includes contributions to the operations of local cemeteries.

Recreation and Cultural Services

This service area provides services meant to improve the health and development of the municipality's residents. The municipality operates and maintains parks and arenas. The municipality also provides library services and recreational programs.

Planning and Development

This department is responsible for planning and zoning, including the Official Plan. This service area also includes tourist information and promotion, business improvement area, weed control and drainage.

**18. CONTINGENT LIABILITIES**

In the normal course of its operations, the municipality is subject to various litigations and claims. The ultimate outcome of these claims cannot be determined at this time. However, the municipality's management believes that the ultimate disposition of these matters will not have a material adverse effect on its financial position.

**19. ADJUSTMENT TO PRIOR YEAR FIGURES**

An adjustment was made in the amount of \$92,120 to the prior year figures to record two grants receivable for drain maintenance in the correct fiscal year. The results of the correction was an increase to accounts receivable, grants and the general surplus.

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON  
CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE  
FOR THE YEAR ENDED DECEMBER 31, 2024

*Schedule 1*

	General Government	Protection Services	Transportation Services	Environmental Services	Recreation Services	Planning and Development	2024	2023
<b>EXPENSES</b>								
Salaries and benefits	\$ 593,341	\$ 112,069	\$ 631,821	\$ 0	\$ 0	\$ 0	\$ 1,337,231	\$ 1,220,124
Materials	180,871	65,369	809,040	0	38,506	7,488	1,101,274	1,427,857
Contracted services	98,570	438,754	50,428	30,330	0	82,926	701,008	644,276
Rents and financial expenses	1,906	0	0	0	0	0	1,906	3,763
Interest on long term debt	2,050	0	1,949	20,003	0	2,669	26,671	14,567
Amortization	19,305	68,610	884,542	3,773	3,669	0	979,899	918,747
Transfers	<u>5,850</u>	<u>126,126</u>	<u>0</u>	<u>0</u>	<u>284,632</u>	<u>0</u>	<u>416,608</u>	<u>397,223</u>
	<u>\$ 901,893</u>	<u>\$ 810,928</u>	<u>\$ 2,377,780</u>	<u>\$ 54,106</u>	<u>\$ 326,807</u>	<u>\$ 93,083</u>	<u>\$ 4,564,597</u>	<u>\$ 4,626,557</u>

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

*Schedule 2*

	Land	Land Improvements	Facilities	Vehicles	Equipment	Infrastructure: Transportation	Infrastructure: Environmental	2024	2023
<b>COST</b>									
Balance, beginning of year	\$ 441,857	\$ 115,415	\$ 994,720	\$ 3,451,604	\$ 651,512	\$ 19,399,604	\$ 117,426	\$ 25,172,138	\$ 23,846,946
Additions during the year	0	0	0	298,683	43,767	953,565	0	1,296,015	1,964,269
Consolidated boards opening changes	0	0	0	0	0	0	0	0	(2,182)
Disposals during the year	0	0	0	(5,017)	(84,195)	(359,138)	0	(448,350)	(636,895)
Balance, end of year	<u>441,857</u>	<u>115,415</u>	<u>994,720</u>	<u>3,745,270</u>	<u>611,084</u>	<u>19,994,031</u>	<u>117,426</u>	<u>26,019,803</u>	<u>25,172,138</u>
<b>ACCUMULATED AMORTIZATION</b>									
Balance, beginning of year	0	37,194	380,521	1,984,928	435,057	9,124,896	32,419	11,995,015	11,651,961
Amortization changes	0	3,323	18,266	154,183	24,523	778,139	1,465	979,899	918,747
	0	(327)	0	0	0	0	0	(327)	0
Accumulated amortization on disposals	0	0	0	(5,017)	(84,195)	(294,315)	0	(383,527)	(575,693)
Balance, end of year	<u>0</u>	<u>40,190</u>	<u>398,787</u>	<u>2,134,094</u>	<u>375,385</u>	<u>9,608,720</u>	<u>33,884</u>	<u>12,591,060</u>	<u>11,995,015</u>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<u>\$ 441,857</u>	<u>\$ 75,225</u>	<u>\$ 595,933</u>	<u>\$ 1,611,176</u>	<u>\$ 235,699</u>	<u>\$ 10,385,311</u>	<u>\$ 83,542</u>	<u>\$ 13,428,743</u>	<u>\$ 13,177,123</u>

See notes to the consolidated financial statements

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**  
**CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS**  
**AS AT DECEMBER 31, 2024**

**Schedule 3**

	<b>2024</b>	<b>2023</b> (note 19)
<b>SURPLUSES</b>		
Invested in tangible capital assets	\$ 13,340,446	\$ 13,038,862
General surplus	1,149,153	1,241,273
Unfunded asset retirement obligation	(309,015)	(295,002)
Recreation, community centres and arenas	45,105	89,195
Cemeteries	85,678	90,326
Fire boards	12,853	8,453
Other	966	966
	<u>14,325,186</u>	<u>14,174,073</u>
<b>RESERVE FUNDS</b>		
Capital purposes	108,906	58,255
Quarry	130,740	124,573
Working funds	191,163	182,146
Replacement of equipment	829,966	595,602
Landfill closure	176,585	168,431
Shelburne & district fire board	65,546	28,671
Mulmur-Melancthon volunteer fire board	22,149	217,308
Insurance, sick leave, WSIB	40,266	23,200
Special emergency relief	34,012	32,408
	<u>1,599,333</u>	<u>1,430,594</u>
<b>RESERVES</b>		
Working funds	1,554,361	1,255,044
NDCC operating	0	20,000
NDCC facility development	0	2,724
Capital purposes	143,472	143,472
	<u>1,697,833</u>	<u>1,421,240</u>
	<u>\$ 17,622,352</u>	<u>\$ 17,025,907</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON  
SCHEDULE OF HORNING'S MILLS CEMETERY BOARD  
FOR THE YEAR ENDED DECEMBER 31, 2024

*Schedule 4*

	2024	2023
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>ASSETS</b>		
Cash	\$ 24,535	\$ 29,702
Due from Cemetery Care and Maintenance Fund	9,067	9,058
Portfolio investments	2,637	2,637
Accrued interest receivable	<u>493</u>	<u>381</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 36,732</u>	<u>\$ 41,778</u>
<b>STATEMENT OF OPERATIONS</b>		
<b>REVENUE</b>		
Sale of plots and markers	\$ 2,125	\$ 1,095
Interest	<u>496</u>	<u>608</u>
	<u>2,621</u>	<u>1,703</u>
<b>EXPENSES</b>		
Supplies	<u>7,667</u>	<u>525</u>
<b>ANNUAL (DEFICIT) SURPLUS</b>	(5,046)	1,178
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>41,778</u>	<u>40,600</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 36,732</u>	<u>\$ 41,778</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON  
SCHEDULE OF ST. PAUL'S CEMETERY BOARD  
FOR THE YEAR ENDED DECEMBER 31, 2024

*Schedule 5*

	2024	2023
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>ASSETS</b>		
Cash	\$ 48,946	\$ 38,229
Accrued interest receivable	0	67
Portfolio investments	<u>0</u>	<u>10,252</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 48,946</u>	<u>\$ 48,548</u>
<b>STATEMENT OF OPERATIONS</b>		
<b>REVENUE</b>		
Interest	\$ <u>407</u>	\$ <u>858</u>
<b>EXPENSES</b>		
Administration	<u>9</u>	<u>7</u>
<b>ANNUAL SURPLUS</b>	398	851
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>48,548</u>	<u>47,697</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 48,946</u>	<u>\$ 48,548</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON  
SCHEDULE OF HORNING'S MILLS COMMUNITY PARK  
FOR THE YEAR ENDED DECEMBER 31, 2024

*Schedule 6*

	2024	2023
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>ASSETS</b>		
Cash	\$ 15,954	\$ 9,133
Receivables	<u>2,671</u>	<u>2,671</u>
<b>NET FINANCIAL ASSETS</b>	<u>18,625</u>	<u>11,804</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u>32,664</u>	<u>32,664</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 51,289</u>	<u>\$ 44,468</u>

<b>STATEMENT OF OPERATIONS</b>		
<b>REVENUE</b>		
Grant - Township of Melancthon	\$ 0	\$ 2,500
Interest	471	330
Other income	<u>8,228</u>	<u>4,217</u>
	<u>8,699</u>	<u>7,047</u>
<b>EXPENSES</b>		
Administration	1,486	1,090
Hydro	<u>392</u>	<u>488</u>
	<u>1,878</u>	<u>1,578</u>
<b>ANNUAL SURPLUS</b>	6,821	5,469
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>44,468</u>	<u>38,999</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 51,289</u>	<u>\$ 44,468</u>



THE CORPORATION OF THE TOWNSHIP OF MELANCTHON  
SCHEDULE OF HORNING'S MILLS COMMUNITY HALL  
FOR THE YEAR ENDED DECEMBER 31, 2024

*Schedule 7*

	2024	2023
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>FINANCIAL ASSETS</b>		
Cash	\$ 27,538	\$ 40,018
Accounts receivable	<u>1,254</u>	<u>1,254</u>
	<u>28,792</u>	<u>41,272</u>
<b>LIABILITIES</b>		
HST payable	2,112	1,619
Deferred revenue	<u>200</u>	<u>200</u>
	<u>2,312</u>	<u>1,819</u>
<b>NET FINANCIAL ASSETS</b>	<u>26,480</u>	<u>39,453</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u>21,048</u>	<u>27,910</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 47,528</u>	<u>\$ 67,363</u>

<b>STATEMENT OF OPERATIONS</b>		
<b>REVENUE</b>		
Fundraising and user charges	\$ 5,356	\$ 12,621
Rental	5,708	6,279
Interest	<u>1,825</u>	<u>2,180</u>
	<u>12,889</u>	<u>21,080</u>
<b>EXPENSES</b>		
Amortization	6,863	6,863
Supplies and maintenance	10,483	9,229
Office	3,141	1,542
Other	147	147
Fundraising	<u>12,090</u>	<u>13,364</u>
	<u>32,724</u>	<u>31,145</u>
<b>ANNUAL DEFICIT</b>	(19,835)	(10,065)
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>67,363</u>	<u>77,428</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 47,528</u>	<u>\$ 67,363</u>

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Council, Inhabitants and Ratepayers of: The Corporation of the Township of Melancthon

### **Opinion**

We have audited the accompanying financial statements of the trust funds of The Corporation of the Township of Melancthon, which comprise the statements of financial position as at December 31, 2024 and the statements of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the Township of Melancthon as at December 31, 2024 and the results of their operations for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis of Opinion**

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

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

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

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

Those charged with governance are responsible for overseeing the trust funds' financial reporting process.

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

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

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

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



Guelph, Ontario  
June 19, 2025

Chartered Professional Accountants  
Licensed Public Accountants

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON - TRUST FUNDS**  
**STATEMENT OF FINANCIAL POSITION AND CONTINUITY**  
**AS AT DECEMBER 31, 2024**

	<b>Horning's Mills Cemetery</b>	<b>St. Paul's Cemetery</b>	<b>Subdividers' Deposits</b>
<b>STATEMENT OF FINANCIAL POSITION - 2024</b>			
Cash	\$ 34,711	\$ 0	\$ 0
Investments	14,728	9,793	0
Due from the Township of Melancthon	0	0	2,001
Due to cemetery general funds	<u>(8,187)</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE</b>	<b>\$ <u>41,252</u></b>	<b>\$ <u>9,793</u></b>	<b>\$ <u>2,001</u></b>

<b>STATEMENT OF CONTINUITY - 2024</b>			
<b>BALANCE, BEGINNING OF YEAR</b>	<b>\$ <u>35,203</u></b>	<b>\$ <u>9,678</u></b>	<b>\$ <u>2,001</u></b>
<b>RECEIPTS</b>			
Interest earned	4,345	115	0
Plot sales	<u>1,745</u>	<u>0</u>	<u>0</u>
	<u>6,090</u>	<u>115</u>	<u>0</u>
<b>EXPENDITURES</b>	<u>41</u>	<u>0</u>	<u>0</u>
<b>BALANCE, END OF YEAR</b>	<b>\$ <u>41,252</u></b>	<b>\$ <u>9,793</u></b>	<b>\$ <u>2,001</u></b>

<b>STATEMENT OF FINANCIAL POSITION - 2023</b>			
Cash	\$ 33,514	\$ 0	\$ 0
Investments	10,303	9,678	0
Due from the Township of Melancthon	0	0	2,001
Due to cemetery general funds	<u>(8,614)</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE</b>	<b>\$ <u>35,203</u></b>	<b>\$ <u>9,678</u></b>	<b>\$ <u>2,001</u></b>

<b>STATEMENT OF CONTINUITY - 2023</b>			
<b>BALANCE, BEGINNING OF YEAR</b>	<b>\$ <u>33,435</u></b>	<b>\$ <u>9,562</u></b>	<b>\$ <u>2,001</u></b>
<b>RECEIPTS</b>			
Interest earned	242	116	0
Plot sales	1,030	0	0
Donations	<u>525</u>	<u>0</u>	<u>0</u>
	<u>1,797</u>	<u>116</u>	<u>0</u>
<b>EXPENDITURES</b>	<u>29</u>	<u>0</u>	<u>0</u>
<b>BALANCE, END OF YEAR</b>	<b>\$ <u>35,203</u></b>	<b>\$ <u>9,678</u></b>	<b>\$ <u>2,001</u></b>

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON - TRUST FUNDS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the trust funds of The Corporation of the Township of Melancthon are the representation of management prepared in accordance with Canadian generally accepted accounting principles for governments as established by the Public Sector Accounting Board of CPA Canada. Significant accounting policies adopted by The Corporation of the Township of Melancthon are as follows:

(a) BASIS OF ACCOUNTING

- (i) Sources of financing and expenditures are reported on the accrual basis of accounting.
- (ii) 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.