

**Township of Prince  
Consolidated Financial Statements  
For the year ended December 31, 2021**

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For the year ended December 31, 2021**

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**Township of Prince  
Management's Responsibility for Financial Reporting**

**December 31, 2021**

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The accompanying consolidated financial statements of the Township of Prince are the responsibility of management and have been approved by the Mayor and CAO / Clerk-Treasurer on behalf of Council.

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

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

The municipal Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers and inhabitants of the municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the municipality's consolidated financial statements.

  
\_\_\_\_\_ Mayor

  
\_\_\_\_\_ CAO / Clerk-Treasurer



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## Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of the Township of Prince

### Opinion

We have audited the consolidated financial statements of Township of Prince (the Township) which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations, changes in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Township as at December 31, 2021 and its consolidated results of operations, its consolidated change in net financial assets and its consolidated cash flows for the year then ended in accordance with the Canadian public sector accounting standards.

### Basis for Opinion

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

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

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

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

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

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



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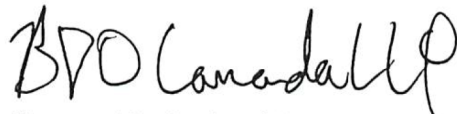
## Independent Auditor's Report (continued)

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

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

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

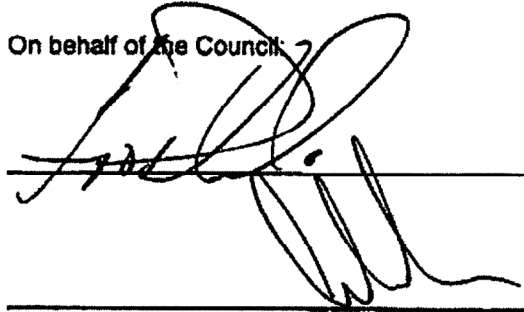


Chartered Professional Accountants, Licensed Public Accountants  
Sault Ste. Marie, Ontario  
November 8, 2022

**Township of Prince  
Consolidated Statement of Financial Position**

December 31	2021	Restated (see note 12) 2020
<b>Financial assets</b>		
Cash	\$ 457,704	\$ 277,866
Taxes receivable	177,463	178,383
Accounts receivable	95,721	130,131
Portfolio investments (Note 13)	2,129,836	1,672,118
	<b>2,860,724</b>	<b>2,258,498</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	295,399	112,541
Deferred revenue (Note 5)	278,162	126,503
Long term debt (Note 4)	357,000	399,000
	<b>930,561</b>	<b>638,044</b>
<b>Net financial assets</b>	<b>1,930,163</b>	<b>1,620,454</b>
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	5,274,300	5,311,585
Prepaid expenses	17,614	13,488
	<b>5,291,914</b>	<b>5,325,073</b>
<b>Accumulated surplus (Note 3)</b>	<b>\$ 7,222,077</b>	<b>\$ 6,945,527</b>

On behalf of the Council



Mayor

Treasurer

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

**Township of Prince  
Consolidated Statement of Operations**

<b>For the year ended December 31</b>	<b>Budget</b>	<b>2021</b>	<b>Restated (see note 12) 2020</b>
<b>Revenue</b>			
Taxation (Note 2)	\$ 1,443,631	\$ 1,442,881	\$ 1,409,799
Government grants - Provincial	323,627	704,901	825,267
Government grants - Federal	164,268	49,009	131,254
Other municipalities	-	5,000	4,000
User fees and service charges	34,200	48,793	92,440
Licences, permits and rents	69,150	79,999	32,415
Interest fines and penalties	25,000	34,880	30,233
Investment income	35,500	53,116	35,296
Other	(5,050)	10,995	34,529
	<u>2,090,326</u>	<u>2,429,574</u>	<u>2,595,233</u>
<b>Expenses</b>			
General government	418,350	432,138	407,378
Protection services	331,432	351,259	350,727
Transportation services	388,710	288,652	288,980
Environmental services	81,402	81,084	83,503
Health services	121,563	124,900	115,343
Social and family services	316,539	767,129	751,399
Recreation and cultural services	62,955	103,327	134,502
Planning and development	28,200	4,534	-
	<u>1,749,151</u>	<u>2,153,023</u>	<u>2,131,832</u>
<b>Annual surplus</b>	341,175	276,551	463,401
<b>Accumulated surplus, beginning of year</b>	6,945,526	6,945,526	6,482,125
<b>Accumulated surplus, end of year</b>	<u>\$ 7,286,701</u>	<u>\$ 7,222,077</u>	<u>\$ 6,945,526</u>

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

**Township of Prince**  
**Consolidated Statement of Change in Net Financial Assets**

<b>For the year ended December 31</b>	<b>Budget</b>	<b>2021</b>	<b>Restated (see note 12) 2020</b>
<b>Annual surplus</b>	\$ 341,175	\$ 276,551	\$ 463,401
Acquisition of tangible capital assets	(602,938)	(171,577)	(742,713)
Amortization of tangible capital assets	-	208,862	220,710
Proceeds on sale of tangible capital assets	-	-	25,348
Prepaid expenses and inventory of supplies	-	(4,126)	9,226
<b>Net change in net financial assets</b>	<b>(261,763)</b>	<b>309,710</b>	<b>(24,028)</b>
<b>Net financial assets, beginning of year</b>	<b>1,620,453</b>	<b>1,620,453</b>	<b>1,644,481</b>
<b>Net financial assets, end of year</b>	<b>\$ 1,358,690</b>	<b>\$ 1,930,163</b>	<b>\$ 1,620,453</b>

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

## Township of Prince Consolidated Statement of Cash Flows

For the year ended December 31	2021	Restated (see note 12) 2020
<b>Operating transactions</b>		
Annual surplus	\$ 276,551	\$ 463,401
Amortization	208,862	220,710
	485,413	684,111
Changes in non-cash working capital balances		
Taxes receivable	920	(32,780)
Accounts receivable	34,410	(74,225)
Other current assets	(4,126)	9,226
Accounts payable and accrued liabilities	182,857	(285,597)
Deferred revenue	151,659	(72,938)
Portfolio investments	(457,718)	(1,672,117)
	393,415	(1,444,320)
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(171,577)	(742,713)
Proceeds on sale of tangible capital assets	-	25,348
	(171,577)	(717,365)
<b>Financing activities</b>		
Proceeds of long term debt	-	420,000
Repayment of long term debt	(42,000)	(21,000)
	(42,000)	399,000
<b>Net change in cash and cash equivalents</b>	<b>179,838</b>	<b>(1,762,685)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>277,866</b>	<b>2,040,551</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 457,704</b>	<b>\$ 277,866</b>

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

# Township of Prince Notes to Consolidated Financial Statements

**December 31, 2021**

## 1. Summary of significant accounting policies

The consolidated financial statements of the municipality have been prepared in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

**Basis of Consolidation** These consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures of all municipal organizations, committees and boards which are owned or controlled by the municipality, including the following:

Prince Township Library Board  
Prince Township Parent/Child Resource Centre  
Prince Township Museum Board

**Cash and Cash Equivalents** Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

**Tangible Capital Assets** Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land improvements	20 to 25 years
Buildings	20 to 40 years
Machinery and equipment	3 to 20 years
Vehicles	4 to 20 years
Furnishings and fixtures	5 to 20 years
Infrastructure - bridges, culverts & streetlights	25 to 75 years
Infrastructure - road bases	40 years
Infrastructure - road paved surface	25 years

**Collection of Taxes on Behalf of Other Taxation Authorities** The municipality collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these other entities are not reflected in these consolidated financial statements.

**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 financial position of the trust funds are reported separately.

**Retirement Benefits and Other Employee Benefit Plans** The municipality provides pension benefits to specified employees through the Ontario Municipal Employees Retirement Fund (OMERS), a multi-employer plan. The municipality's contributions due during the period are expensed as incurred. The municipality provides other post-employment benefits. These costs accumulate over the period of service provided by employees and are determined using management's best estimates.

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## Township of Prince Consolidated Summary of Significant Accounting Policies

**December 31, 2021**

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**1. Summary of significant accounting policies** *(continued)*

<b>Deferred Revenue</b>	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.
<b>Government Transfers</b>	Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.
<b>Revenue Recognition</b>	<p>Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.</p> <p>Sales of service and other revenue is recognized on an accrual basis.</p>
<b>Portfolio Investments</b>	Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.
<b>Use of Estimates</b>	The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**Township of Prince**  
**Notes to Consolidated Financial Statements**

**December 31, 2021**

<b>2. Taxation</b>	<b>2021</b>	<b>2020</b>
Residential and multi-residential	\$ 1,618,569	\$ 1,606,904
Commercial and industrial	92,126	86,818
Taxation from other governments	26,607	25,818
	1,737,302	1,719,540
Deduct: amounts received or receivable for school boards	(294,421)	(309,741)
	<b>\$ 1,442,881</b>	<b>\$ 1,409,799</b>

<b>3. Accumulated surplus</b>	<b>2021</b>	<b>2020</b>
Reserves set aside for specific purposes by Council		
Working funds	\$ 1,332,496	\$ 1,084,502
Other	383,055	383,055
Museum restoration	11,789	11,791
Recreation, current purposes	31,397	31,397
Roads	394,779	388,392
Fire	74,000	74,000
Parks	40,900	40,900
	2,268,416	2,014,037
Reserve funds set aside for specific purposes by Council		
Fire	26,325	26,325
Total reserves	2,294,741	2,040,362
Equity in tangible capital assets	4,917,300	4,914,461
General deficit	(45,300)	(45,300)
Library surplus	12,683	11,585
Museum surplus	5,077	5,962
Parent and Child Resource Centre surplus	37,576	19,318
	<b>\$ 7,222,077</b>	<b>\$ 6,946,388</b>

<b>Allocation of annual surplus</b>	<b>2021</b>	<b>2020</b>
Equity in tangible capital assets	\$ 3,701	\$ 98,671
Reserve and reserve funds	254,379	392,274
Library surplus (deficit)	1,098	(1,747)
Museum deficit	(885)	(834)
Parent and Child Resource Centre surplus	18,258	20,337
	<b>\$ 276,551</b>	<b>\$ 508,701</b>



**Township of Prince**  
**Notes to Consolidated Financial Statements**

**December 31, 2021**

**4. Long term debt**

Long term debt reported on the statement of financial position is comprised of the following:

	<b>2021</b>	<b>2020</b>
Ontario Infrastructure and Lands Corporation debenture due in 2030, with semi-annual principal payments of \$21,000 plus interest at a rate of 1.99%.	<b>\$ 357,000</b>	<b>\$ 399,000</b>

Principal payments over the next five years as thereafter are due as follows:

2022	\$ 42,000
2023	42,000
2024	42,000
2025	42,000
2026	42,000
Thereafter	147,000
	<b>\$ 357,000</b>

**5. Deferred revenue**

	<b>2021</b>	<b>2020</b>
Other deferred revenue	<b>\$ 56,592</b>	<b>\$ 30,781</b>
Parks - Obligatory	89,525	71,409
Federal Gas Tax - Obligatory	<b>132,045</b>	<b>24,313</b>
	<b>\$ 278,162</b>	<b>\$ 126,503</b>

**Deferred revenue continuity**

	<b>2021</b>	<b>2020</b>
Balance, beginning of year	<b>\$ 126,503</b>	<b>\$ 199,441</b>
Contributions	<b>145,982</b>	<b>93,241</b>
	<b>272,485</b>	<b>292,682</b>
Contributions used	<b>20,026</b>	<b>166,179</b>
Balance, end of year	<b>\$ 252,459</b>	<b>\$ 126,503</b>

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## Township of Prince Notes Consolidated to Financial Statements

**December 31, 2021**

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### **6. Post employment and retirement benefits**

The municipality makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of eligible 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.

Because OMERS is a multi-employer pension plan, the Township does not recognize any share of the pension plan deficit, as a joint responsibility of all Ontario municipalities and their employees. At December 31, 2021 OMERS reported an actuarial funding deficit of \$3,131 million. The municipality's contributions to OMERS equal those made by the employees. During the year, the municipality contributed \$40,604 (2020 - \$38,642) to the plan. As this is a multi-employer pension plan, these contributions are the township's pension benefit expense.

The municipality's employees accumulate unused sick days and may become entitled to a cash payment when they leave the municipality's employment. The cost of the benefits is determined using management's best estimate.

The liability for these accumulated days, amounted to \$- (2020 - \$-) at the end of the year.

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### **7. Trust funds**

Trust funds administered by the Township amounting to \$78,459 (2020 - \$74,627) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Operations".

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### **8. Credit facility**

The municipality has established a \$300,000 bank operating line of credit bearing interest at prime and secured by a general security agreement. As at December 31, 2021, a balance of NIL was outstanding on this credit facility.

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### **9. Public Sector Salary Disclosure Act**

For Township of Prince, no employees were paid salaries, as defined in the Public Sector Salary Disclosure Act, 1996 of \$100,000 or more.

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## Township of Prince Notes Consolidated to Financial Statements

**December 31, 2021**

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### 10. Segmented information

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

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

#### **General government**

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

#### **Protection**

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

#### **Transportation**

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

#### **Environmental**

The environmental department consists of solid waste disposal. The department provides drinking water to ratepayers, collecting and treating wastewater, and providing garbage collection and waste minimization programs and facilities for solid waste disposal.

#### **Health**

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

#### **Social and family**

Through the Algoma District Services Administration Board, the municipality contributes to social assistance payments, child care services and social housing. In addition, the municipality provides alternative residential services for seniors.

#### **Recreation and cultural**

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

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## Township of Prince Notes Consolidated to Financial Statements

**December 31, 2021**

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### 10. Segmented information (continued)

#### Planning

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

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

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies. For additional information see Schedule 2.

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### 11. Budget

The Financial Plan (Budget) By-Law adopted by Council on May 11, 2021 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use of reserves and/or surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets (debt) represent the Financial Plan adopted by Council on May 11, 2021 with adjustments as follows:

<b>Financial Plan (Budget) Bylaw surplus for the year</b>	\$ -
<b>Add:</b>	
Capital expenditures	602,938
<b>Less:</b>	
Net inter-fund transfers from reserves	(52,586)
Amortization	<u>(208,862)</u>
<b>Budget surplus per statement of operations</b>	<u>\$ 341,490</u>

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**Township of Prince**  
**Notes to Consolidated Financial Statements**

**December 31, 2021**

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**12. Prior period adjustment**

During the year it was discovered that a grant relating to the December 31, 2020 year end was recorded twice. As a result, prior year accumulated surplus, accounts receivable, grant revenue, and annual surplus were overstated. The financial statement amounts that are presented for comparative purposes have been restated to adjust this as follows:

Decrease in 2020 accounts receivable	\$	45,300
Decrease in 2020 government grants - Provincial	\$	45,300
Decrease in 2020 accumulated surplus	\$	45,300
Decrease in 2020 annual surplus	\$	45,300

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**13. Portfolio investments**

Portfolio investments consist of mutual funds. The market value of the mutual funds is \$2,006,365 (2020 - \$1,564,803).

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**14. Comparative figures**

The comparative figures have been restated to conform with current year presentation.

**Township of Prince**  
**Schedule 1 - Consolidated Tangible Capital Assets**

**For the year ended December 31, 2021**

	Land	Buildings	Machinery and Equipment	Vehicles	Furnishings and Fixtures	Infrastructure	Construction in progress	Total
<b>Cost, beginning of year</b>	\$ 114,490	\$ 918,534	\$ 324,931	\$ 529,175	\$ 34,171	\$ 5,743,673	\$ 2,915	\$ 7,667,889
<b>Additions</b>	-	15,646	4,899	-	2,134	-	148,898	171,577
<b>Cost, end of year</b>	<b>114,490</b>	<b>934,180</b>	<b>329,830</b>	<b>529,175</b>	<b>36,305</b>	<b>5,743,673</b>	<b>151,813</b>	<b>7,839,466</b>
<b>Accumulated amortization, beginning of year</b>	-	177,856	192,095	139,983	26,241	1,820,129	-	2,356,304
<b>Amortization</b>	-	25,082	21,984	34,868	5,172	121,756	-	208,862
<b>Accumulated amortization, end of year</b>	-	<b>202,938</b>	<b>214,079</b>	<b>174,851</b>	<b>31,413</b>	<b>1,941,885</b>	-	<b>2,565,166</b>
<b>Net carrying amount, end of year</b>	<b>\$ 114,490</b>	<b>\$ 731,242</b>	<b>\$ 115,751</b>	<b>\$ 354,324</b>	<b>\$ 4,892</b>	<b>\$ 3,801,788</b>	<b>\$ 151,813</b>	<b>\$ 5,274,300</b>

The net book value of tangible capital assets not being amortized because they are under construction/development or have been removed from service is \$151,813 (2020 - \$2,915).

The Municipality holds various works of art and historical treasures. These items are not recognized as tangible capital assets in the financial statements because a reasonable estimate of the future benefits association with such property cannot be made.

**Township of Prince**  
**Schedule 1 - Consolidated Tangible Capital Assets (continued)**

**For the year ended December 31, 2020 (comparative figures)**

	Land	Buildings	Machinery and Equipment	Vehicles	Furnishings and Fixtures	Infrastructure	Construction in progress	Total
<b>Cost, beginning of year</b>	\$ 114,490	\$ 844,640	\$ 297,988	\$ 180,445	\$ 34,171	\$ 5,430,131	\$ 66,355	\$ 6,968,220
Additions	-	73,894	26,943	391,774	-	250,102	-	742,713
Disposals	-	-	-	(43,044)	-	-	-	(43,044)
Capitalized construction	-	-	-	-	-	63,440	(63,440)	-
<b>Cost, end of year</b>	<b>114,490</b>	<b>918,534</b>	<b>324,931</b>	<b>529,175</b>	<b>34,171</b>	<b>5,743,673</b>	<b>2,915</b>	<b>7,667,889</b>
<b>Accumulated amortization, beginning of year</b>	-	153,166	158,076	117,500	26,241	1,698,307	-	2,153,290
Amortization	-	24,690	34,019	40,179	-	121,822	-	220,710
Disposals	-	-	-	(17,696)	-	-	-	(17,696)
<b>Accumulated amortization, end of year</b>	-	<b>177,856</b>	<b>192,095</b>	<b>139,983</b>	<b>26,241</b>	<b>1,820,129</b>	-	<b>2,356,304</b>
<b>Net carrying amount, end of year</b>	<b>\$ 114,490</b>	<b>\$ 740,678</b>	<b>\$ 132,836</b>	<b>\$ 389,192</b>	<b>\$ 7,930</b>	<b>\$ 3,923,544</b>	<b>\$ 2,915</b>	<b>\$ 5,311,585</b>

The net book value of tangible capital assets not being amortized because they are under construction (or development or have been removed from service) is \$2,915.

The Municipality holds various works of art and historical treasures. These items are not recognized as tangible capital assets in the financial statements because a reasonable estimate of the future benefits association with such property cannot be made.

**Township of Prince**  
**Schedule 2 - Consolidated Segment Disclosure**

**For the year ended December 31, 2021**

	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
<b>Revenue</b>									
Taxation	\$ 193,796	\$ 254,445	\$ 149,230	\$ 61,328	\$ 95,196	\$ 605,807	\$ 81,090	\$ 1,989	\$ 1,442,881
Government grants - Provincial	82,794	49,324	28,517	8,029	12,463	510,829	12,685	260	704,901
Government grants - Federal	-	-	20,025	-	-	28,984	-	-	49,009
Other municipalities	-	-	-	-	-	-	5,000	-	5,000
User fees and service charges	20,535	3,538	50	120	8,976	7,289	5,785	2,500	48,793
Licences, permits and rents	61,619	-	-	-	-	-	18,380	-	79,999
Interest fines and penalties	34,880	-	-	-	-	-	-	-	34,880
Investment income	53,116	-	-	-	-	-	-	-	53,116
Other	10,995	-	-	-	-	-	-	-	10,995
	<b>457,735</b>	<b>307,307</b>	<b>197,822</b>	<b>69,477</b>	<b>116,635</b>	<b>1,152,909</b>	<b>122,940</b>	<b>4,749</b>	<b>2,429,574</b>
<b>Expenses</b>									
Salaries and benefits	240,399	62,173	41,848	2,900	4,092	353,991	29,844	-	735,247
Materials and supplies	168,185	63,289	110,347	40,432	5,046	129,680	40,522	-	557,501
Contracted services	20,646	180,141	5,934	33,209	-	-	-	4,534	244,464
Rents and financial expenses	-	7,729	-	-	-	-	-	-	7,729
External transfers and other	-	-	-	-	115,762	283,458	-	-	399,220
Amortization	2,908	37,927	130,523	4,543	-	-	32,961	-	208,862
	<b>432,138</b>	<b>351,259</b>	<b>288,652</b>	<b>81,084</b>	<b>124,900</b>	<b>767,129</b>	<b>103,327</b>	<b>4,534</b>	<b>2,153,023</b>
<b>Net surplus (deficit)</b>	<b>\$ 25,597</b>	<b>\$ (43,952)</b>	<b>\$ (90,830)</b>	<b>\$ (11,607)</b>	<b>\$ (8,265)</b>	<b>\$ 385,780</b>	<b>\$ 19,613</b>	<b>\$ 215</b>	<b>\$ 276,551</b>



**Township of Prince**  
**Schedule 2 - Consolidated Segment Disclosure (continued)**

**For the year ended December 31, 2020 (comparative figures)**

	General Government	Protection	Trans- portation	Environ- mental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
<b>Revenue</b>									
Taxation	\$ 175,910	\$ 267,349	\$ 137,756	\$ 63,953	\$ 85,480	\$ 576,860	\$ 103,259	\$ (768)	\$ 1,409,799
Government grants - Provincial	235,514	35,879	18,487	8,583	11,472	498,708	15,927	697	825,267
Government grants - Federal	-	-	90,949	-	-	28,545	11,760	-	131,254
Other municipalities	-	-	-	-	-	-	4,000	-	4,000
User fees and service charges	68,870	6,608	50	100	2,750	6,178	5,734	2,150	92,440
Licences, permits and rents	10,285	-	-	-	-	-	22,130	-	32,415
Interest fines and penalties	30,233	-	-	-	-	-	-	-	30,233
Investment income	35,296	-	-	-	-	-	-	-	35,296
Other	34,529	-	-	-	-	-	-	-	34,529
	<b>590,637</b>	<b>309,836</b>	<b>247,242</b>	<b>72,636</b>	<b>99,702</b>	<b>1,110,291</b>	<b>162,810</b>	<b>2,079</b>	<b>2,595,233</b>
<b>Expenses</b>									
Salaries and benefits	226,736	61,745	42,805	4,163	3,246	333,428	27,431	-	699,554
Materials and supplies	157,347	57,250	106,160	60,890	921	135,446	67,213	-	585,227
Contracted services	20,821	187,359	6,339	13,907	-	-	-	-	228,426
Rents and financial expenses	-	4,213	-	-	-	-	-	-	4,213
External transfers and other	-	-	-	-	111,176	282,525	-	-	393,701
Amortization	2,474	40,160	133,676	4,543	-	-	39,858	-	220,711
	<b>407,378</b>	<b>350,727</b>	<b>288,980</b>	<b>83,503</b>	<b>115,343</b>	<b>751,399</b>	<b>134,502</b>	<b>-</b>	<b>2,131,832</b>
<b>Net surplus (deficit)</b>	<b>\$ 183,259</b>	<b>\$ (40,891)</b>	<b>\$ (41,738)</b>	<b>\$ (10,867)</b>	<b>\$ (15,641)</b>	<b>\$ 358,892</b>	<b>\$ 28,308</b>	<b>\$ 2,079</b>	<b>\$ 463,401</b>

**Township of Prince  
Schedule 3 - Library Board**

**Statement of Operations**

<b>For the year ended December 31</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>		
Grants - Province	\$ 2,069	\$ 2,069
Township contribution	5,000	4,000
Calendar	5,712	5,455
Other	73	279
	<u>12,854</u>	<u>11,803</u>
<b>Expenses</b>		
Amortization	2,264	2,312
Fundraising	1,563	2,093
Materials and supplies	6,419	6,124
Professional fees	2,027	1,133
Honorarium	4,200	4,200
	<u>16,473</u>	<u>15,862</u>
<b>Annual deficit</b>	<b>(3,619)</b>	<b>(4,059)</b>
<b>Accumulated surplus, beginning of year</b>	<b>16,302</b>	<b>20,361</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 12,683</b>	<b>\$ 16,302</b>

**Statement of Financial Position**

<b>December 31</b>	<b>2021</b>	<b>2020</b>
<b>Financial assets</b>		
Cash	\$ 13,326	\$ 13,962
Prepaid expenses	870	870
	<u>14,196</u>	<u>14,832</u>
<b>Liabilities</b>		
Accounts payable	-	-
Due to township	3,966	3,247
	<u>3,966</u>	<u>3,247</u>
<b>Net financial assets</b>	<b>10,230</b>	<b>11,585</b>
<b>Tangible capital assets</b>	<b>2,453</b>	<b>4,717</b>
<b>Accumulated surplus</b>	<b>\$ 12,683</b>	<b>\$ 16,302</b>
<b>Accumulated surplus represented by:</b>		
Equity in tangible capital assets	\$ 2,453	\$ 4,717
Accumulated operating surplus	10,230	11,585
	<u>\$ 12,683</u>	<u>\$ 16,302</u>

**Township of Prince  
Schedule 4 - Museum Board**

**Statement of Operations**

<b>For the year ended December 31</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenses</b>		
Bank charges	-	41
Materials and supplies	885	-
Professional fees	-	763
Wages and benefits	-	30
	<b>885</b>	<b>834</b>
<b>Annual deficit</b>	<b>(885)</b>	<b>(834)</b>
<b>Accumulated surplus, beginning of year</b>	<b>5,962</b>	<b>6,796</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 5,077</b>	<b>\$ 5,962</b>

**Statement of Financial Position**

<b>December 31</b>	<b>2021</b>	<b>2020</b>
<b>Financial assets</b>		
Cash	\$ 6,876	\$ 7,761
Due from Township of Prince	(454)	(454)
	<b>6,422</b>	<b>7,307</b>
<b>Liabilities</b>		
Accounts payable	1,345	1,345
<b>Accumulated surplus</b>	<b>\$ 5,077</b>	<b>\$ 5,962</b>
<b>Accumulated surplus represented by:</b>		
Reserves	\$ 11,789	\$ 11,898
Accumulated operating deficit	(6,712)	(5,936)
	<b>\$ 5,077</b>	<b>\$ 5,962</b>

**Township of Prince**  
**Schedule 5 - Parent/Child Resource Centre**

**Statement of Operations**

<b>For the year ended December 31</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>		
Grants - District Social Services Board	\$ 431,518	\$ 421,291
Grants - Government of Canada	28,984	28,545
Other	7,289	6,178
	<u>467,791</u>	<u>456,014</u>
<b>Expenses</b>		
Administration	4,900	6,872
Occupancy	11,332	9,003
Postage, stationery and office supplies	291	805
Program supplies	79,017	85,569
Wages and benefits	353,991	333,428
	<u>449,531</u>	<u>435,677</u>
<b>Annual surplus</b>	<b>18,260</b>	<b>20,337</b>
<b>Accumulated surplus (deficit), beginning of year</b>	<b>19,316</b>	<b>(1,021)</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 37,576</b>	<b>\$ 19,316</b>

**Statement of Financial Position**

<b>December 31</b>	<b>2021</b>	<b>2020</b>
<b>Financial assets</b>		
Cash	\$ 60,609	\$ 52,010
Accounts receivable	29,023	5,015
Due from Township of Plummer Additional	8,473	10,877
	<u>98,105</u>	<u>67,902</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	29,560	17,725
Deferred revenue	30,969	30,861
	<u>60,529</u>	<u>48,586</u>
<b>Accumulated surplus</b>	<b>\$ 37,576</b>	<b>\$ 19,316</b>

**Township of Prince  
Trust Funds  
Financial Statements  
For the year ended December 31, 2021**



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Sault Ste. Marie ON P6A 5N7 Canada

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## Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of the Township of Prince

### Opinion

We have audited the financial statements of the Trust Funds of Township of Prince (the Township) which comprise the statement of financial position as at December 31, 2021, and the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Township as at December 31, 2021 and the results of its operations for the year then ended in accordance with the Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Township 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 these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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## Independent Auditor's Report (continued)

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

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



Chartered Professional Accountants, Licensed Public Accountants  
Sault Ste. Marie, Ontario  
November 8, 2022

**Township of Prince  
Trust Funds  
Cemetery Care and Maintenance  
Statement of Financial Position**

<b>December 31</b>	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Cash	\$ 14,296	\$ 11,553
Term deposit	45,000	45,000
Due from township	19,163	18,074
	\$ 78,459	\$ 74,627
<b>Fund Balance</b>		
Capital	\$ 78,459	\$ 74,627

**Statement of Continuity**

<b>For the year ended December 31</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>		
Monument charge	\$ 326	\$ 100
Interest earned	1,506	660
Care & maintenance	2,000	2,000
	3,832	2,760
<b>Expenditures</b>	-	-
<b>Annual surplus</b>	3,832	2,760
<b>Balance, beginning of year</b>	74,627	71,867
<b>Balance, end of year</b>	\$ 78,459	\$ 74,627

**Notes to Financial Statements**

**December 31, 2021**

**1. Significant accounting policies**

The financial statements of the Trust Funds of Township of Prince are prepared in accordance with Canadian public sector accounting standards.

**2. Cash**

Cash is represented by funds on deposit in chartered banks or investment portfolios.