

**The Corporation of the
Town of Gore Bay**

**Independent Auditor's Report and
Financial Report**

December 31, 2023

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of The Corporation of the Town of Gore Bay (the "Town") are the responsibility of the Town's management and have been prepared in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as described in Note 1 to the consolidated financial statements.

The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management. Council meets with management and the external auditor to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Baker Tilly SNT LLP, independent external auditor appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

Mayor
August 26, 2024

Town Manager/Clerk
August 26, 2024

Independent Auditor's Report

**To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Town of Gore Bay**

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Opinion

We have audited the consolidated financial statements of The Corporation of the Town of Gore Bay, which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations and accumulated surplus, cash flows and change in net financial assets 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 Corporation of the Town of Gore Bay as at December 31, 2023, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

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

Independent Auditor's Report (Continued)

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

In preparing the consolidated financial statements, management is responsible for assessing the Town'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 Town or to cease operations, or has no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- 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 Town'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 Town 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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.

Sudbury, Ontario
August 26, 2024

Baker Tilly SNT LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

The Corporation of the Town of Gore Bay
Consolidated Statement of Financial Position
December 31, 2023

	<u>2023</u>	<u>2022</u> (Restated note 5)
Financial Assets		
Cash and cash equivalents (note 6)	\$ 6,631,124	\$ 6,068,735
Taxes receivable	60,725	33,009
Accounts receivable (note 7)	1,848,336	803,309
Land held for resale	10,980	3,348
Investment in government business enterprise (note 8)	265,004	238,915
	<u>8,816,169</u>	<u>7,147,316</u>
Liabilities		
Accounts payable and accrued liabilities	1,169,564	792,143
Deferred revenues (note 9)	3,696,496	2,609,597
Deferred revenues - obligatory reserve funds (note 10)	184,090	146,431
Municipal debt (note 11)	959,978	1,055,914
Asset retirement obligations (note 12)	131,599	89,400
	<u>6,141,727</u>	<u>4,693,485</u>
Net Financial Assets	<u>2,674,442</u>	<u>2,453,831</u>
Non-Financial Assets		
Tangible capital assets (note 13)	16,513,219	16,289,013
Prepaid expenses	106,182	102,301
Inventories	33,777	50,679
	<u>16,653,178</u>	<u>16,441,993</u>
Accumulated Surplus (note 14)	<u>\$ 19,327,620</u>	<u>\$ 18,895,824</u>
Contingencies (note 15)		
Commitments (note 16)		

Approved by:

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

The Corporation of the Town of Gore Bay
Consolidated Statement of Operations and Accumulated Surplus
For The Year Ended December 31, 2023

	<u>2023</u>	<u>2023</u>	<u>2022</u>
	Budget	Actual	Actual
	(Unaudited)		(Restated note 5)
Revenues			
Net taxation	\$ 1,276,031	\$ 1,289,078	\$ 1,243,922
User charges	1,266,144	1,481,284	1,340,496
Government grants and transfers - Provincial	507,161	836,857	787,127
Government grants and transfers - Federal	19,166	32,841	64,878
Government grants and transfers - Municipal	11,000	84,672	68,091
Other	542,001	709,865	1,435,232
	<u>3,621,503</u>	<u>4,434,597</u>	<u>4,939,746</u>
Expenses			
General government	714,488	704,780	700,606
Protection services	247,382	325,160	325,190
Transportation services	801,043	725,497	748,029
Environmental services	1,012,768	1,080,799	979,602
Health services	174,231	197,582	272,181
Social and family services	104,673	505,558	493,118
Recreation and cultural services	1,137,246	1,398,749	1,328,011
Planning and development	27,583	26,293	34,876
	<u>4,219,414</u>	<u>4,964,418</u>	<u>4,881,613</u>
Annual surplus (deficit) before other	(597,911)	(529,821)	58,133
Other			
Government grants and transfers related to capital	2,094,220	935,528	704,733
Annual surplus before undernoted item	1,496,309	405,707	762,866
Gain from investment in government business enterprise	-	26,089	22,044
Annual surplus	1,496,309	431,796	784,910
Accumulated surplus, beginning of year, as previously stated	18,895,824	18,895,824	18,200,314
Adjustments related to adoption of new accounting standards (note 5)	-	-	(89,400)
Accumulated surplus, end of year	<u>\$ 20,392,133</u>	<u>\$ 19,327,620</u>	<u>\$ 18,895,824</u>

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

The Corporation of the Town of Gore Bay
Consolidated Statement of Cash Flows
For The Year Ended December 31, 2023

	<u>2023</u>	<u>2022</u> (Restated note 5)
Operating transactions		
Annual surplus	\$ 431,796	\$ 784,910
Cash and cash equivalents provided by (applied to)		
Non-cash items:		
Amortization of tangible capital assets	1,085,234	1,368,393
Loss on disposal of tangible capital assets	43,494	-
Gain from investment in government business enterprise	(26,089)	(22,044)
Change in non-cash working capital balances		
Increase in taxes receivable	(27,716)	(18,231)
Increase in accounts receivable	(1,045,027)	(591,820)
Increase in accounts payable and accrued liabilities	377,421	347,012
Decrease (increase) in land held for resale	(7,632)	2,039
Increase in deferred revenues	1,086,899	311,742
Increase in deferred revenues - obligatory reserve funds	37,659	32,601
Increase in prepaid expenses	(3,881)	(98,482)
(Increase) decrease in inventories	<u>16,902</u>	<u>(7,866)</u>
Cash and cash equivalents provided by operating transactions	1,969,060	2,108,254
Capital transactions		
Acquisition of tangible capital assets	(1,310,735)	(1,988,627)
Financing transactions		
Municipal debt repaid	<u>(95,936)</u>	<u>(91,376)</u>
Increase in cash and cash equivalents	562,389	28,251
Cash and cash equivalents, beginning of year	<u>6,068,735</u>	<u>6,040,484</u>
Cash and cash equivalents, end of year	<u>\$ 6,631,124</u>	<u>\$ 6,068,735</u>

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

The Corporation of the Town of Gore Bay
Consolidated Statement of Change in Net Financial Assets
For The Year Ended December 31, 2023

	<u>2023</u>	<u>2023</u>	<u>2022</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Unaudited)		(Restated note 5)
Annual surplus (deficit)	\$ 1,496,309	\$ 431,796	\$ 784,910
Amortization of tangible capital assets	1,071,682	1,085,234	1,368,393
Loss on disposal of tangible capital assets	-	43,494	-
Acquisition of tangible capital assets	(2,914,124)	(1,352,934)	(1,988,627)
Change in prepaid expenses	-	(3,881)	(98,482)
Change in inventories	-	16,902	(7,866)
	<u> </u>	<u> </u>	<u> </u>
Increase (decrease) in net financial assets	(346,133)	220,611	58,328
Net financial assets, beginning of year	2,453,831	2,453,831	2,484,903
Adjustments related to adoption of new accounting standards (note 5)	<u> </u>	<u> </u>	<u> </u>
	-	-	(89,400)
Net financial assets, end of year	<u><u>\$ 2,107,698</u></u>	<u><u>\$ 2,674,442</u></u>	<u><u>\$ 2,453,831</u></u>

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

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

1. Significant Accounting Policies

These consolidated financial statements of the Town are the representations of management prepared in accordance with accounting policies recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic consolidated financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgement.

(a) Basis of Consolidation

(i) Consolidated Entities

These consolidated financial statements reflect the financial assets, liabilities, non-financial assets, accumulated surplus, revenues and expenses of the Town and include the activities of all committees of Council and of the following local boards which are under the control of Council including:

Gore Bay and Western Manitoulin Museum
Gordon Cemetery Board
Gore Bay Fire Department Joint Board of Management
Gore Bay Union Public Library Board

All interfund assets and liabilities and revenues and expenses have been eliminated.

(ii) Proportionally Consolidated Entities

Activities in joint local boards are accounted for using the proportionate consolidation method. Under this method, the Town's proportionate share of joint local board revenues, expenses, assets and liabilities are included in the accounts. The following joint local board is proportionately consolidated:

Manitoulin Centennial Manor
The Town's proportionate share of Manitoulin Centennial Manor was 6.27% for 2023 (6.27% for 2022).

All interfund assets and liabilities and revenues and expenses have been eliminated.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

1. Significant Accounting Policies (Continued)

(a) Basis of Consolidation (Continued)

(iii) Non-Consolidated Entities

These consolidated financial statements reflect contributions to the following joint local boards, which are not under the direct control of Council, as expenses in the consolidated statement of operations and accumulated surplus. The following joint local boards are not consolidated:

Public Health Sudbury & Districts
Manitoulin-Sudbury District Services Board

(iv) Investment in Government Business Enterprise

The Gore Bay Manitoulin Airport Commission Inc. is a government business enterprise and is accounted for using the modified equity method. Each year, the Town's share of income from the government business enterprise is recognized in the consolidated financial statements and the investment in the government business enterprise is adjusted to reflect the change in equity occurring during the year.

(v) Accounting for School Board Transactions

The Town is required to collect and remit education support levies in respect of residential and other properties on behalf of the area school boards. The Town has no jurisdiction or control over the school boards operations. Therefore, taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the accumulated surplus of these consolidated financial statements.

(b) Basis of Accounting

(i) Accrual Basis

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

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(ii) Cash and Cash Equivalents

The Town's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with maturities of three months from the date of acquisition or less or those that can be readily convertible to cash.

(iii) Land held for resale

Land held for resale consisting of surplus land and cemetery plots is recorded at the lower of cost and net realizable value.

(iv) Deferred Revenues

Deferred revenues represent government transfers, contributions, user charges and fees that have been collected for which the related services have yet to be performed. Revenue is recognized in the period when the services are performed.

(v) Deferred Revenue - Obligatory Reserve Funds

The Town receives certain contributions and other revenues under the authority of legislation. These funds, by their nature, are restricted in their use and, until applied to specific expenses, are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

(vi) Employee Future Benefits

The Town makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS) which is a multi-employer contributory defined benefit program with contributions expensed as incurred.

(vii) Asset Retirement Obligations

Asset retirement obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use.

The Corporation of the Town of Gore Bay

Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(vii) Asset Retirement Obligations (Continued)

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the consolidated financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Town to incur costs in relation to a specific tangible capital asset, when the past transaction or event causing the liability has already occurred, when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related tangible capital asset is also recognized. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates.

At remediation, the Town derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the consolidated statement of operations and accumulated surplus.

(viii) Segmented Information

The Town reports its segmented information on functional areas and programs in its consolidated financial statements similar to reporting reflected as part of the Ontario Financial Information Return. These functional areas represent segments for the Town:

General Government

General government is comprised of Council, administration, and Ontario Property Assessment.

Protection Services

Protection is comprised of police, fire and other protective services.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(viii) Segmented Information (Continued)

Transportation Services

Transportation services are responsible for road maintenance, culverts, bridges, winter control and streetlights.

Environmental Services

Environmental services include water supply and distribution, wastewater treatment, waste and recycling services.

Health Services

Health services include public health services and cemetery services.

Social and Family Services

Social and family services include social assistance, long-term care, paramedic services, social housing and child care services.

Recreation and Cultural Services

Recreation and cultural services include parks and recreation, recreation facilities, culture and libraries.

Planning and Development

Planning and development manages development for residential and business interests as well as services related to the Town's economic development programs.

(ix) 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 annual surplus (deficit), provides the Consolidated Change in Net Assets for the year.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(ix) Non-Financial Assets (Continued)

i) Tangible Capital Assets

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

Roads	25 years
Water and sewer lines, valves & hydrants	40-50 years
Water treatment plant	25 years
Water pipes	75 years
Moveable equipment	10 years
Buildings	60 years
Fire vehicles	20 years
Parks	20 years
Equipment	10 years
Road signs and lights	15 years
Docks	15 years

Additions are amortized at full annual rate if purchased in the first half of year and not amortized if purchased in the last half of year.

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

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

ii) Inventories

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

iii) Prepaid Expenses

Prepaid expenses represent amounts paid in advance for a good or service not yet received. The expense is recognized once the goods have been received or the services have been performed.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(x) Taxation and Other Revenues

Property tax billings are prepared by the Town based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC") and in accordance with the provisions of the Municipal Act, 2001. Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Town is required to collect on behalf of the Province of Ontario in respect of education taxes.

A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Town determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued.

Assessment and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the result of the appeal process is known or based on management's best estimates.

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

User charges are recognized in the period in which the revenue relates.

Other income is recognized as revenue when earned. Fines and fees are recognized as revenue when collected.

(xi) Government Grants and Transfers

Government grants and transfers are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occurs, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, except when and to the extent that stipulations associated with the transfer give rise to a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. The transfer revenue is recognized in the consolidated statement of operations and accumulated surplus as the stipulations giving rise to the liabilities are settled.

The Corporation of the Town of Gore Bay

Notes to the Consolidated Financial Statements

December 31, 2023

1. Significant Accounting Policies (Continued)

(b) Basis of Accounting (Continued)

(xii) Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions. These estimates and assumptions are based on management's best information and judgment and may differ significantly from actual results.

(c) Financial instruments

Financial instruments are classified at either fair value or amortized cost.

Financial instruments classified at amortized cost include cash and cash equivalents, accounts receivable, taxes receivable, accounts payable and accrued liabilities and municipal debt. They are initially recorded at their fair value and subsequently carried at amortized cost using the effective interest rate method, less impairment. Transaction costs are added to the carrying value of the instrument.

2. Measurement Uncertainty

Certain items recognized in the consolidated financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Town's best information and judgment.

- The amounts recorded for asset retirement obligations are based on the estimated amount required to ultimately remediate the liability and depend on estimates of usage, remaining life, inflation rates and discount rates.
- The amounts recorded for amortization and opening costs of tangible capital assets are based on estimates of useful life, residual values and valuation rates.

By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.

The Corporation of the Town of Gore Bay

Notes to the Consolidated Financial Statements

December 31, 2023

3. Future Accounting Pronouncements

These standards and amendments were not effective in the year ended December 31, 2023, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

Section PS 3400 *Revenue*, establishes standards on how to account for and report on revenue, specifically differentiating between transactions that include performance obligations (i.e. the payor expects a good or service from the public sector entity), referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions. This section applies to fiscal years beginning on or after April 1, 2023. Early adoption is permitted.

Guideline PSG-8 *Purchased Intangibles*, provides guidance on the accounting and reporting for purchased intangible assets that are acquired through arm's length exchange transactions between knowledgeable, willing parties that are under no compulsion to act. This guideline applies to fiscal years beginning on or after April 1, 2023. Early adoption is permitted.

Section PS 3160 *Public Private Partnerships* (P3s), provides specific guidance on the accounting and reporting for public private partnerships between public and private sector entities where the public sector entity procures infrastructure using a private sector partner. This section applies to fiscal years beginning on or after April 1, 2023. Early adoption is permitted.

4. Change in Accounting Policies

On January 1, 2023, the Town adopted the following standards on a prospective basis: PS 1201 *Financial Statement Presentation*, PS 2601 *Foreign Currency Translation*, PS 3041 *Portfolio Investments* and PS 3450 *Financial Instruments*. The adoption of these standards had no impact on the opening balances.

PS 1201 *Financial Statement Presentation* replaces PS 1200 *Financial Statement Presentation*. The standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the statement of remeasurement gains and losses separate from the statement of operations.

PS 2601 *Foreign Currency Translation* replaces PS 2600 *Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported at fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new statement of remeasurement gains and losses.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

4. Change in Accounting Policies (Continued)

PS 3041 *Portfolio Investments* replaces PS 3040 *Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 *Financial Instruments*. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 *Temporary Investments* no longer applies.

PS 3450 *Financial Instruments* establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the statement of remeasurement gains and losses.

5. Adoption of New Accounting Standards

On January 1, 2023, the Town adopted PS 3280 *Asset Retirement Obligations (ARO)* on a modified retroactive basis.

PS 3280 *Asset Retirement Obligations (ARO)* establishes the accounting and reporting requirements for legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use.

In the past, the Town reported its obligations relating to the retirement of tangible capital assets in the period in which the asset was retired directly as an expense.

The new standard requires the recognition of a liability for legal obligations that exist as a result of the acquisition, construction or development of a tangible capital asset, or that result from the normal use of the asset when the asset is recorded.

As a result of the application of this accounting standard, an asset retirement obligation of \$89,400 has been recognized as a liability in the consolidated statement of financial position. These obligations represent the estimated costs of retiring assets owned by the Town.

The adoption of PS 3280 *Asset Retirement Obligations (ARO)* has been applied to the comparative period. In addition to asset retirement obligations of \$89,400, an equal amount has been adjusted to accumulated surplus on the Consolidated Statement of Financial Position and the Consolidated Statement of Operations and Accumulated Surplus, an adjustment to the Statement of Change in Net Financial Assets and to the accumulated surplus in note 14.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

6. Cash and Cash Equivalents

	<u>2023</u>	<u>2022</u>
Cash	\$ 6,619,397	\$ 6,057,509
Guaranteed Investment Certificate, interest at 0.80% (2022 - 0.80%), maturing on February 27, 2024	<u>11,727</u>	<u>11,226</u>
	<u>\$ 6,631,124</u>	<u>\$ 6,068,735</u>

Investments are guaranteed investment certificates with maturities of twelve months or less. Council has designated portions of its cash and investment accounts to fund all reserve funds totalling \$1,866,912 (2022 - \$1,664,250) which are detailed in Note 14 to these consolidated financial statements.

7. Accounts Receivable

	<u>2023</u>	<u>2022</u>
Federal	\$ 1,126,243	\$ 308,463
Province of Ontario	553,344	372,558
Other Municipalities	123,636	61,812
Other	<u>45,113</u>	<u>60,476</u>
	<u>\$ 1,848,336</u>	<u>\$ 803,309</u>

8. Investment in Government Business Enterprise

The Town, along with two other Townships, have assumed joint responsibility for the operations of the Town of Gore Bay Manitoulin Airport Commission Inc. (the "Airport"). The Airport is 33% owned by the Town.

The Gore Bay Manitoulin Airport Commission Inc's principal activity is the ownership, administration and management of the Gore Bay-Manitoulin Airport.

The corporation is accounted for using the modified equity method in these consolidated financial statements, as follows:

	<u>2023</u>	<u>2022</u>
Long-term investment, beginning of year	\$ 238,915	\$ 216,871
The Town's share of operating surplus for the year	<u>26,089</u>	<u>22,044</u>
Long-term investment, end of year	<u>\$ 265,004</u>	<u>\$ 238,915</u>

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

8. Investment in Government Business Enterprise (Continued)

Condensed supplementary financial information of the Airport is as follows.

	<u>2023</u>	<u>2022</u>
Statement of Financial Position:		
Financial assets	\$ 636,776	\$ 633,072
Financial liabilities	<u>15,591</u>	<u>99,176</u>
Net Financial Assets	<u>621,185</u>	<u>533,896</u>
Non-Financial Assets		
Tangible capital assets	2,717,904	167,165
Deferred capital contributions	(2,548,649)	-
Inventory and prepaid expenses	<u>67,593</u>	<u>78,698</u>
	<u>236,848</u>	<u>245,863</u>
Accumulated surplus	<u>\$ 858,033</u>	<u>\$ 779,759</u>
Statement of Operations:		
Revenue	\$ 567,054	\$ 541,022
Expenses	<u>488,780</u>	<u>474,883</u>
Operating surplus	<u>\$ 78,274</u>	<u>\$ 66,139</u>
Town's share of net income (33% ownership)	<u>\$ 26,089</u>	<u>\$ 22,044</u>

9. Deferred Revenues

	Balance, December 31, 2022	Amounts received during the year	Recognized as revenues during the year	Balance, December 31, 2023
Provincial grants	\$ 168,468	\$ 70,946	\$ 178,526	\$ 60,888
Federal grants	894,567	-	237,525	657,042
Smith Foundation	1,434,985	1,625,000	152,535	2,907,450
Other	<u>111,577</u>	<u>1,491</u>	<u>41,952</u>	<u>71,116</u>
Total Deferred Revenues	<u>\$ 2,609,597</u>	<u>\$ 1,697,437</u>	<u>\$ 610,538</u>	<u>\$ 3,696,496</u>

The Corporation of the Town of Gore Bay

Notes to the Consolidated Financial Statements

December 31, 2023

10. Deferred Revenues - Obligatory Reserve Funds

A requirement of the Chartered Professional Accountants Canada Public Sector Accounting Handbook, is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation and external agreements restrict how these funds may be used and under certain circumstances these funds may possibly be refunded. The balance in the obligatory reserve funds of the Town are summarized below:

	Balance, December 31, 2022	Amounts received during the year	Recognized as revenues during the year	Balance, December 31, 2023
Canada-Community Building Fund	\$ 55,547	\$ 60,972	\$ 43,377	\$ 73,142
Ontario Community Infrastructure Fund	<u>90,884</u>	<u>183,261</u>	<u>163,197</u>	<u>110,948</u>
Total Deferred Revenues - Obligatory Reserve Funds	<u>\$ 146,431</u>	<u>\$ 244,233</u>	<u>\$ 206,574</u>	<u>\$ 184,090</u>

11. Municipal Debt

	<u>2023</u>	<u>2022</u>
Ontario Infrastructure Project Corporation (OIPC) debenture loan, repayable in semi-annual instalments of \$73,450 including interest at 4.93%, unsecured, maturing October 15, 2031	<u>\$ 959,978</u>	<u>\$ 1,055,914</u>

Principal instalments required to be paid over the next five years are as follows:

2024	\$ 100,724
2025	105,751
2026	111,029
2027	116,570
2028	128,496
Thereafter	<u>397,408</u>
Total	<u>\$ 959,978</u>

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

12. Asset Retirement Obligations

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 89,400	\$ -
Opening balance adjustment	-	89,400
Obligations incurred in the period	<u>42,199</u>	<u>-</u>
Balance, end of year	<u>\$ 131,599</u>	<u>\$ 89,400</u>

The asset retirement obligation at year-end is as follows:

	<u>2023</u>	<u>2022</u>
Fuel tanks	\$ 42,199	\$ -
Monitoring wells	<u>89,400</u>	<u>89,400</u>
Balance, end of year	<u>\$ 131,599</u>	<u>\$ 89,400</u>

Fuel tanks and monitoring wells

The Town has installed underground and above ground fuel tanks as well as monitoring wells which represent an environmental hazard upon removal and decommissioning and there are legal obligations regarding how they must be removed. The timing of post-closure care cannot yet be reasonably estimated, so no discounting has been applied to the liability.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

13. Tangible Capital Assets

	Cost			Accumulated Amortization			Net Book Value			
	Balance, beginning of year	Additions	Transfers / Disposals	Balance, end of year	Balance, beginning of year	Amortization	Disposals	Balance, end of year	December 31, 2023	December 31, 2022
Land	\$ 801,971	\$ -	\$ (29,800)	\$ 772,171	\$ -	\$ -	\$ -	\$ -	\$ 772,171	\$ 801,971
Buildings	6,483,726	138,037	4,076	6,625,839	1,760,255	109,112	-	1,869,367	4,756,472	4,723,471
Docks	5,922,461	62,212	-	5,984,673	3,405,808	277,254	-	3,683,062	2,301,611	2,516,653
Roads and bridges	7,262,785	454,906	-	7,717,691	5,915,634	119,824	-	6,035,458	1,682,233	1,347,151
Automotive equipment	444,228	-	-	444,228	370,931	22,463	-	393,394	50,834	73,297
Furniture and equipment	1,081,920	156,156	9,898	1,247,974	883,526	60,445	-	943,971	304,003	198,394
Parks	1,323,271	78,262	66,697	1,468,230	421,083	68,568	-	489,651	978,579	902,188
Water and sewer	13,316,750	15,074	-	13,331,824	7,697,234	427,568	-	8,124,802	5,207,022	5,619,516
Construction in progress	106,372	448,287	(94,365)	460,294	-	-	-	-	460,294	106,372
	<u>\$ 36,743,484</u>	<u>\$ 1,352,934</u>	<u>\$ (43,494)</u>	<u>\$ 38,052,924</u>	<u>\$ 20,454,471</u>	<u>\$ 1,085,234</u>	<u>\$ -</u>	<u>\$ 21,539,705</u>	<u>\$ 16,513,219</u>	<u>\$ 16,289,013</u>

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

14. Accumulated Surplus

	<u>2023</u>	<u>2022</u> (Restated note 5)
Surplus		
Invested in tangible capital assets	\$ 16,513,219	\$ 16,289,013
General operations	1,599,038	1,699,021
Unfunded liabilities		
Municipal debt	(959,978)	(1,055,914)
Asset retirement obligations	<u>(131,599)</u>	<u>(89,400)</u>
Total surplus	<u>17,020,680</u>	<u>16,842,720</u>
Reserves		
Reserves		
Working capital	391,182	340,008
Landfill	36,000	36,000
Transfer station	10,500	10,500
Fire	<u>2,346</u>	<u>2,346</u>
	<u>440,028</u>	<u>388,854</u>
Reserve funds		
Sewer and water	1,415,134	1,272,024
Recreation	1,509	45,000
Museum & Harbour Centre	73,695	69,083
Medical centre	183,215	168,665
Library	37,691	35,807
Severance	33,868	34,203
Roads	10,978	6,568
Cemetery	17,900	17,900
Vehicle and equipment	40,902	15,000
Theatre	35,249	-
Marina	<u>16,771</u>	<u>-</u>
	<u>1,866,912</u>	<u>1,664,250</u>
Accumulated Surplus	<u>\$ 19,327,620</u>	<u>\$ 18,895,824</u>

15. Contingencies

Legal Matters

The Town has been named defendant in an outstanding legal claim in the amount of \$1,150,000 for damages related to a construction project. The Town has defended this action denying the claim. It is too early in the proceedings to determine the outcome of the claim and management believes the Town has valid defences in place. No amount has been accrued in the accounts as a result of this claim.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

16. Commitments

The Town entered into a funding agreement for a new terminal with Gore Bay Manitoulin Airport commission Inc. The Town is processing all funding and payments on the project with a total estimated cost of \$4,810,082. At December 31, 2023, there was approximately \$1,967,118 plus applicable taxes remaining to be completed. The Town's commitment to the airport project is a total estimated cost of \$141,500 of which \$75,139 plus applicable taxes is remaining to be completed. Only the Town's portion of expenses relating to the project are reflected in the consolidated statement of operations.

During the year the Town entered into a contract for a watermain project totalling approximately \$318,486 plus applicable taxes. At December 31, 2023, there was approximately \$115,996 plus applicable taxes remaining to be completed.

The Town has entered into a management services agreement with the Ontario Clean Water Agency (OCWA) to operate and maintain the water treatment plant and distribution system. The agreement is for nine and one half year period ending December 31, 2027, at an annual cost as follows:

2024	\$ 208,704
2025	211,835
2026	215,012
2027	<u>218,238</u>
	<u>\$ 853,789</u>

17. Operations of School Boards

Further to note 1(a)(v), the taxation, other revenues, and expenses of the school boards are comprised of the following:

	<u>2023</u>	<u>2022</u>
Taxation and user charges	<u>\$ 186,245</u>	<u>\$ 185,687</u>
Total amounts received or receivable	186,245	185,687
Requisitions	<u>186,245</u>	<u>185,687</u>
	<u>\$ -</u>	<u>\$ -</u>

The Corporation of the Town of Gore Bay

Notes to the Consolidated Financial Statements

December 31, 2023

18. Pension Agreements

The Town makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of all qualifying 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. The OMERS Administration Corporation Board of Directors, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. OMERS provides pension services to approximately 612,533 active and retired members and approximately 1,047 employers.

Each year an independent actuary determines the funding status of OMERS Primary Pension Plan ('the Plan') by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. On December 31, 2023, the estimated accrued pension obligation for all members of the Plan was \$134,574 million (2022 - \$128,789 million). The Plan had an actuarial value of net assets at that date of \$130,372 million (2022 - \$122,111 million) indicating an actuarial deficit of \$4,202 million (2022 - \$6,678 million). The Plan is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Town does not recognize any share of the OMERS pension surplus or deficit.

The amount contributed by the Town to OMERS for 2023 was \$56,134 (2022 - \$43,492) for current services and is included as an expense on the Consolidated Statement of Operations and Accumulated Surplus.

On January 1, 2023 the yearly maximum pension earnings increased to \$66,600 from \$64,900 in 2022. The contributions are calculated at a rate of 9.0% (2022 - 9.0%) for amounts up to the yearly maximum pension earnings stated above and at a rate of 14.6% (2022 - 14.6%) for amounts above the yearly maximum pension earnings.

19. Financial Instruments

Risks arising from financial instruments and risk management

The Town is exposed to a variety of financial risks including credit risk, liquidity risk and market risk.

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

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

19. Financial Instruments (Continued)

Credit risk

Credit risk is the risk of losses resulting from a counterparty's failure to honour its contractual obligations. The Town is exposed to credit risk to the extent that accounts receivable are not collected in a timely manner. The Town's financial assets consisting of cash and cash equivalents, taxes receivable and accounts receivable are subject to credit risk. The carrying amounts of financial assets on the consolidated statement of financial position represent the maximum credit risk of the Town at the date of the consolidated statement of financial position. The Town does not believe it is subject to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Town will not be able to meet its financial obligations as they become due. The Town's financial liabilities include accounts payable and accrued liabilities and municipal debt. The Town maintains sufficient resources to meet its obligations. The Town does not believe it is subject to significant liquidity risk.

Market risk

Market risk is the risk of changes in the fair value of financial instruments resulting from fluctuations in the market. The Town is exposed to currency risk, interest risk and price risk to the extent that the fair value of a financial instrument will fluctuate as a result of market factors. The Town's financial instruments consisting of cash and cash equivalents, taxes receivable, accounts receivable, investment in government business enterprise, accounts payable and accrued liabilities and municipal debt are subject to market risk. The Town does not believe it is subject to significant market risk.

20. Budget Figures

The budget figures as presented in the consolidated financial statements of operations and accumulated surplus and changes in net financial assets do not include the budgets of the consolidated entities as specified in the Basis of Consolidation.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

20. Budget Figures (Continued)

The budget adopted by Council was not prepared on a basis consistent with that used to report actual results in these consolidated financial statements. The budget was prepared on a modified accrual basis while Canadian public sector accounting standards require the full accrual basis. The budget figures include a transfer of the anticipated annual surplus to reserves. In addition, the budget expenses all tangible capital asset acquisitions and does not include a provision for amortization expense. As a result, the budget figures presented in the consolidated statements of operations and accumulated surplus and changes in net financial assets represent the budget adopted by Council, adjusted as follows:

	<u>2023</u>	<u>2022</u>
Budget surplus (deficit) approved by Council	\$ -	\$ -
Adjustments:		
Budgeted tangible capital asset additions	2,914,124	3,603,559
Budgeted debt repayments	-	91,376
Budgeted reserve transfers	(346,133)	(573,508)
Amortization	<u>(1,071,682)</u>	<u>-</u>
Budget surplus per consolidated financial statements	<u>\$ 1,496,309</u>	<u>\$ 3,121,427</u>

21. Comparative Figures

The presentation of certain accounts of the previous year has been changed to conform with the presentation adopted for the current year.

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

22. Segmented Information

	<u>General Government</u>	<u>Protection Services</u>	<u>Transportation Services</u>	<u>Environmental Services</u>	<u>Health Services</u>	<u>Social and Family Services</u>	<u>Recreation and Cultural Services</u>	<u>Planning and Development</u>	<u>2023 Total</u>
Revenues									
Net taxation	\$ 1,289,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,289,078
User charges	17	-	-	610,612	-	94,734	775,921	-	1,481,284
Government grants and transfers - Provincial	485,377	-	-	-	19,981	306,889	24,610	-	836,857
Government grants and transfers - Federal	26,259	-	-	-	-	-	6,582	-	32,841
Government grants and transfers - Municipal	-	61,856	-	-	5,260	-	17,556	-	84,672
Government business enterprise	26,089	-	-	-	-	-	-	-	26,089
Other	442,844	73,109	16,162	-	41,184	21,742	114,824	-	709,865
Total revenues	<u>2,269,664</u>	<u>134,965</u>	<u>16,162</u>	<u>610,612</u>	<u>66,425</u>	<u>423,365</u>	<u>939,493</u>	<u>-</u>	<u>4,460,686</u>
Expenses									
Salary, wages and employee benefits	414,747	55,525	328,182	50,309	10,464	255,391	243,777	1,952	1,360,347
Materials, rents and financial expenses	182,430	68,904	239,556	217,892	41,864	197,348	752,432	13,036	1,713,462
Interest on long-term debt	-	-	-	60,446	-	-	-	-	60,446
Contracted services	31,885	168,083	-	315,446	-	-	-	439	515,853
Transfers to other governments and the public	-	10,186	15,035	-	143,851	52,819	-	7,185	229,076
Amortization of tangible capital assets	75,718	22,462	142,724	436,706	1,403	-	402,540	3,681	1,085,234
Total expenses	<u>704,780</u>	<u>325,160</u>	<u>725,497</u>	<u>1,080,799</u>	<u>197,582</u>	<u>505,558</u>	<u>1,398,749</u>	<u>26,293</u>	<u>4,964,418</u>
Annual surplus (deficit) before other	1,564,884	(190,195)	(709,335)	(470,187)	(131,157)	(82,193)	(459,256)	(26,293)	(503,732)
Other									
Government grants and transfers related to capital	-	-	323,746	145,918	-	-	465,864	-	935,528
Annual surplus (deficit)	<u>\$ 1,564,884</u>	<u>\$ (190,195)</u>	<u>\$ (385,589)</u>	<u>\$ (324,269)</u>	<u>\$ (131,157)</u>	<u>\$ (82,193)</u>	<u>\$ 6,608</u>	<u>\$ (26,293)</u>	<u>\$ 431,796</u>

The Corporation of the Town of Gore Bay
Notes to the Consolidated Financial Statements
December 31, 2023

22. Segmented Information (Continued)

	<u>General Government</u>	<u>Protection Services</u>	<u>Transportation Services</u>	<u>Environmental Services</u>	<u>Health Services</u>	<u>Social and Family Services</u>	<u>Recreation and Cultural Services</u>	<u>Planning and Development</u>	<u>2022 Total</u>
Revenues									
Net taxation	\$ 1,243,922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,243,922
User charges	-	-	-	587,484	-	77,583	675,429	-	1,340,496
Government grants and transfers - Provincial	473,773	2,308	-	-	11,450	273,869	25,727	-	787,127
Government grants and transfers - Federal	35,001	-	-	-	-	-	29,877	-	64,878
Government grants and transfers - Municipal	-	43,075	-	-	5,260	-	19,756	-	68,091
Government business partnership	22,044	-	-	-	-	-	-	-	22,044
Other	<u>1,095,194</u>	<u>24,407</u>	<u>15,575</u>	<u>-</u>	<u>155,543</u>	<u>21,953</u>	<u>122,560</u>	<u>-</u>	<u>1,435,232</u>
Total revenues	<u>2,869,934</u>	<u>69,790</u>	<u>15,575</u>	<u>587,484</u>	<u>172,253</u>	<u>373,405</u>	<u>873,349</u>	<u>-</u>	<u>4,961,790</u>
Expenses									
Salary, wages and employee benefits	408,851	38,223	244,002	38,368	15,424	311,494	196,347	1,865	1,254,574
Materials, rents and financial expenses	161,535	63,874	175,650	156,783	117,860	129,430	626,997	8,845	1,440,974
Interest on long term debt	-	-	-	46,524	-	-	-	-	46,524
Contracted services	48,836	191,518	-	297,836	-	-	-	13,423	551,613
Transfers to other governments and the public	-	8,466	14,319	-	137,494	52,194	-	7,062	219,535
Amortization of tangible capital assets	<u>81,384</u>	<u>23,109</u>	<u>314,058</u>	<u>440,091</u>	<u>1,403</u>	<u>-</u>	<u>504,667</u>	<u>3,681</u>	<u>1,368,393</u>
Total expenses	<u>700,606</u>	<u>325,190</u>	<u>748,029</u>	<u>979,602</u>	<u>272,181</u>	<u>493,118</u>	<u>1,328,011</u>	<u>34,876</u>	<u>4,881,613</u>
Annual surplus (deficit) before other	2,169,328	(255,400)	(732,454)	(392,118)	(99,928)	(119,713)	(454,662)	(34,876)	80,177
Other									
Government grants and transfers related to capital	<u>149,189</u>	<u>-</u>	<u>555,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>704,733</u>
Annual surplus (deficit)	<u>\$ 2,318,517</u>	<u>\$ (255,400)</u>	<u>\$ (176,910)</u>	<u>\$ (392,118)</u>	<u>\$ (99,928)</u>	<u>\$ (119,713)</u>	<u>\$ (454,662)</u>	<u>\$ (34,876)</u>	<u>\$ 784,910</u>