THE CORPORATION OF THE

MUNICIPALITY OF CALLANDER

TRUST FUNDS FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER TRUST FUNDS

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

Management's Responsibility for the Financial Statements

The management of the Corporation of the Municipality of Callander (the "Municipality") is responsible for the integrity, objectivity and accuracy of the financial information presented in the accompanying financial statements.

The financial statements 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 ("CPA"). A summary of the significant accounting policies is described in Note 1 to the financial statements.

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

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

The financial statements have been audited by Pahapill and Associates Professional Corporation, independent external auditors appointed by the Municipality of Callander. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's trust financial statements.

Casey Turner

Casey Turner
Deputy Treasurer

CPigeau

Cindy Pigeau
Municipal Clerk/Treasurer

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INDEPENDENT AUDITORS' REPORT
TRUST FUNDS

To the Members of Council, Inhabitants and Ratepayers of the
Corporation of the Municipality of Callander

Opinion
We have audited the accompanying financial statements of the trust funds of the Corporation of the Municipality of Callander which comprise of the statement of financial position as at December 31, 2024, the statement of financial activities and changes in accumulated surplus, and the statement of remeasurement gains and losses 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 trust funds of the Corporation of the Municipality of Callander as at December 31, 2024, and its statement of financial activities and changes in accumulated surplus 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 Financial Statements section of our report. We are independent of the Municipality 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter
The comparative financial statements as at December 31, 2023 have been restated as disclosed in Note 2 to the financial statements.

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

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

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

Auditor's Responsibility 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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- 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 Municipality'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 Municipality'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 Municipality 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.

Pahapill and Associates

Huntsville, Ontario
September 09, 2025

Pahapill and Associates Professional Corporation
Chartered Professional Accountants
Authorized to practise public accounting by
The Chartered Professional Accountants of Ontario

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

TRUST FUNDS

STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN ACCUMULATED SURPLUS

FOR THE YEAR ENDED DECEMBER 31, 2024

		2024		2023 (Note 2)
Revenue				
Investment income	$	3,686	$	3,642
Sale of plots and marker installations		4,376		5,382
Total revenue	**$**	**8,062**	**$**	**9,024**
Expenses				
Transfer to current fund of the Corporation of the Municipality of Callander		4,248		3,886
Net Revenue (Expenditures)		**3,814**		**5,138**
Opening Fund Balance		**136,690**		**131,552**
Accumulated remeasurement gains (losses)		**(407)**		**(7,221)**
Closing Fund Balance	**$**	**140,097**	**$**	**129,469**

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

		2024		2023 (Note 2)
Financial Assets				
Cash and cash equivalents	$	3,251	$	12
Investments	$	137,302	$	124,076
Accounts receivable		-		5,381
	$	**140,553**	**$**	**129,469**
Liabilities and Net Assets				
Liabilities	$	456	$	-
Net Financial Assets		140,097		129,469
Accumulated surplus	**$**	**140,553**	**$**	**129,469**

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

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STATEMENT OF REMEASUREMENT GAINS AND LOSSES

FOR THE YEAR ENDED DECEMBER 31, 2024

	Actual 2024	Actual 2023 (Note 2)
Accumulated remeasurement gains (losses) beginning of year	$ 7,221	$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	(6,814)	7,221
Net remeasurement gains (losses) for the year	(6,814)	7,221
Accumulated remeasurement gains (losses), beginning of year	7,221	-
Accumulated remeasurement gains (losses), end of year	**$ 407**	**$ 7,221**

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2024

1. ACCOUNTING POLICIES

The financial statements of the Corporation of the Town of Huntsville Trust Funds are prepared by management in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(a) Basis of accounting

(i) Capital receipts and income are reported on the cash basis of accounting.

(ii) Expenses are reported on the cash basis of accounting with the exception of administrative expenses and capital expenses which are reported on the accrual basis of accounting, which recognizes expenses as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

(b) Portfolio Investments

Portfolio investments consists of equity instruments with no maturity. Portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are realized on disposal. Upon disposal, any accumulated remeasurement gains or losses associated with the portfolio investments are reclassified to the Statement of Financial Activities and Changes in Accumulated Surplus.

2. RESTATEMENT

During the year, a review of Municipal internal ledgers discovered errors in the value recorded of the portfolio investments. Under PS 3041, Portfolio investments in equity instruments quoted in an active market are required to be measured at fair value with unrealized gains and losses presented in the Statement of Remeasurement Gains and Losses. The Municipality has restated its trust financial statements to account for this error in the value of the portfolio investments from amortized cost to fair value.

The effects of this restatement are as follows:

Year ended December 31, 2023:

ACCUMULATED SURPLUS		
Accumulated surplus, as previously reported	$	136,690
Unrealized loss on portfolio investments		(7,221)
ACCUMULATED SURPLUS, AS RESTATED	**$**	**129,469**

3. CHANGE IN ACCOUNTING POLICIES

On January 1, 2024 the Municipality adopted Public Accounting Standards PS 3400 Revenues and PS 3160 Public private partnerships. These standards have no significant impact on the presentation of the financial statements.

THE CORPORATION OF THE MUNICIPALITY OF CALLANDER

TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2024

4. INVESTMENTS

Interest earned on investments is transferred from the Municipality's Cemetery Trust Funds to the Municipality's operating funds for the purpose of care and maintenance of the cemetery plots and monuments.

Perpetual Care investments, recorded at market value, consist of the following:

	Fair value hierarchy level	2024	2023
CIBC Wealth Management bond funds, fair value hierarchy level 1	level 1	$ 41,225	$ 39,302
CIBC Wealth Management corporate bond funds, fair value hierarchy level 1	level 1	96,077	84,774
		$ 137,302	**$ 124,076**

Investments have a market value of $137,302 (2023 - $124,076) and a cost value of $137,709 (2023 - $131,297) at the end of the year. The One Investment Program is held for the purposes of meeting long-term obligations.

The fair value measurements are those derived from:

- Level 1: Quoted prices in active markets for identical assets.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets, either directly (ie as prices) or indirectly (ie derived from prices).
- Level 3: Fair value measurements are those derived from valuation methods where inputs are based on non-observable market data.

5. CARE AND MAINTENANCE FUND

The Care and Maintenance Fund administered by the Municipality is funded by the sale of cemetery interment rights and markers. These funds are invested and earnings derived therefrom are used to perform maintenance to the Municipality's cemetery. The operations and investments of the fund are undertaken by the Municipality in accordance with the regulations of the Funeral, Burial and Cremation Services Act, 2002.

6. INTEREST INCOME

In 2024, $4,248 (2023 $3,886) of interest was earned and transferred to the Municipality of Callander.