

**CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

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**Town of Arnprior  
Consolidated  
Financial Statements  
December 31, 2020**

**Town of Arnprior**  
**Four Year Financial Review**  
(not subject to audit)

December 31	2020	2019	2018	2017	2016
<b>Population</b> (Statistics Canada)	<b>8,795</b>	8,795	8,795	8,795	8,795
<b>Number of Households</b> (MPAC)	<b>4,271</b>	4,244	4,211	4,157	3,925
<hr/>					
<b>Taxable Assessment</b> (000's)	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Residential and farm	<b>862,118</b>	841,463	812,925	783,417	771,065
Commercial and industrial	<b>104,602</b>	98,815	97,290	96,408	97,941
<b>Total</b>	<b>966,720</b>	940,278	910,215	879,825	869,006
<hr/>					
Commercial, industrial as % of assessment	<b>10.82%</b>	10.51%	10.69%	10.96%	11.27%
<hr/>					
<b>Rates of Taxation</b>					
Residential					
▸ for general municipal purposes	<b>0.873543</b>	0.859955	0.845165	0.828593	0.810360
▸ for county purposes	<b>0.366001</b>	0.363878	0.362193	0.358971	0.345406
▸ for school board purposes	<b>0.153000</b>	0.161000	0.170000	0.179000	0.188000
<b>Total</b>	<b>1.392544</b>	1.384833	1.377358	1.366564	1.343766
<hr/>					
Multi-Residential (total)	<b>1.697818</b>	1.671409	1.642662	1.610453	1.575016
Commercial (total)	<b>1.585218</b>	1.560561	1.533721	1.503648	1.470560
Industrial (total)	<b>2.491059</b>	2.464367	2.435706	2.401639	2.362158
<hr/>					
<b>Tax Arrears</b> ▸ percentage of current levy (<10%)**	<b>5.43%</b>	5.82%	5.71%	8.97%	7.15%
<hr/>					
<b>Taxes Transferred</b> (000's)					
▸ County	<b>4,035</b>	3,938	3,771	3,625	3,467
▸ School Boards	<b>2,550</b>	2,603	2,634	2,718	2,808
<hr/>					
<b>Revenues</b> (000's)	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
▸ Taxation and payments in lieu	<b>10,610</b>	9,983	9,532	9,100	8,911
▸ Government transfers	<b>2,523</b>	2,270	1,442	2,770	1,673
▸ Fees and service charges	<b>6,365</b>	6,637	6,646	6,871	6,574
▸ Other	<b>332</b>	245	1,024	277	303
▸ Revenues related to capital assets	<b>1,208</b>	1,784	1,245	1,881	1,075
<b>Total</b>	<b>21,038</b>	20,919	19,889	20,899	18,536
<hr/>					
<b>Expenses</b> (000's)					
▸ Operations	<b>17,529</b>	19,069	17,795	17,878	17,271
▸ Amortization	<b>3,681</b>	4,247	3,294	3,253	3,171
<hr/>					
<b>Net Financial Assets (Net Debt)</b>					
▸ % of Operating Revenue (>(20%))**	<b>(19.82%)</b>	(46.46%)	(68.36%)	(71.24%)	(73.02%)
▸ % of Taxation and user charges (>(50%))**	<b>(37.03%)</b>	(95.10%)	(140.23%)	(148.04%)	(143.07%)

\*\* Represents the Provincial Low Risk Indicator.  
(Note: All dollar amounts are in thousands of dollars.)

**Town of Arnprior**  
**Four Year Financial Review**  
(not subject to audit)

December 31	2020	2019	2018	2017	2016
	\$	\$	\$	\$	\$
<b>Long Term Debt</b>					
▸ Net long term debt (000's)	14,179	16,594	18,947	19,895	22,207
▸ Long term debt charges (000's)	3,026	2,995	2,929	3,079	2,246
▸ Total annual repayment limit (000's)	4,197	4,086	3,947	4,087	3,946
▸ Long term debt per household	3,319	3,910	4,499	4,786	5,658
▸ Debt charges (000's)					
▸ user charges	1,948	1,917	2,003	2,148	1,899
▸ tax supported	1,079	1,078	926	931	347
	<b>3,027</b>	2,995	2,929	3,079	2,246
<b>Municipal Equity (000's)</b>					
▸ Surplus and Reserves	12,895	7,834	6,572	7,829	9,535
▸ Invested in capital assets	86,100	85,276	84,688	82,814	76,610
▸ Asset consumption ratio	33.61%	31.87%	29.87%	28.52%	27.73%
▸ Reserves as % of operating expenses (>20%)**	56.17%	45.85%	41.03%	38.54%	34.81%
<b>Financial Indicators</b>					
▸ Sustainability					
▸ financial assets to liabilities	0.7957	0.5903	0.4325	0.4301	0.5406
▸ financial assets to liabilities excluding long term debt	2.9168	2.5099	3.1121	2.5683	2.7048
▸ long term debt to tangible capital assets	14.14%	16.29%	18.28%	19.37%	22.47%
▸ capital reserves to accumulated amortization	10.98%	10.02%	11.44%	10.60%	11.45%
▸ Flexibility					
▸ Debt charges to total operating revenue (<5%)**	15.27%	15.65%	16.03%	16.41%	12.86%
▸ Total operating revenue to taxable assessment	2.05%	2.04%	2.01%	2.17%	2.01%
▸ Working capital to operating expenses (>10%)**	2.66%	2.25%	2.41%	2.17%	2.26%
▸ Vulnerability					
▸ Operating government transfers ▸ to operating revenue	12.72%	11.86%	7.89%	14.49%	9.58%
▸ Total government transfers ▸ to total revenues	16.46%	15.96%	11.35%	14.39%	10.36%



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## Management's Responsibility for the Consolidated Financial Statements

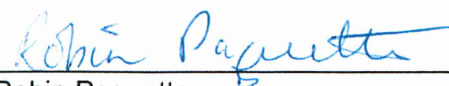
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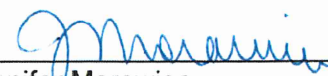
The accompanying consolidated financial statements of the Corporation of the Town of Arnprior are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards. A summary of significant accounting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

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

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

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

  
\_\_\_\_\_  
Robin Paquette  
Chief Administrative Officer

  
\_\_\_\_\_  
Jennifer Morawiec  
General Manager, Client Services/Treasurer

## INDEPENDENT AUDITOR'S REPORT

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

### Opinion

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

- the consolidated statement of financial position as at December 31, 2020;
- the consolidated statement of operations and accumulated surplus for the year then ended;
- the consolidated statement of changes in net debt for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- and the notes to the consolidated financial statements, including a summary of significant accounting policies;

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2020, and its consolidated results of operations, its consolidated changes in net debt and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### Basis for Opinion

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

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



Allan and Partners LLP  
Chartered Professional Accountants  
Licensed Public Accountants

Perth, Ontario  
May 25, 2021.

**Town of Arnprior  
Consolidated Statement of Financial Position**

December 31	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and short term investments	12,339,049	9,558,210
Taxes receivable	786,549	776,336
User charges receivable	618,224	554,406
Accounts receivable	783,761	931,707
Long term investments (note 4)	987,436	987,408
	<b>15,515,019</b>	12,808,067
<b>LIABILITIES</b>		
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	868,197	1,538,770
Accrued landfill (note 6)	1,632,605	1,578,451
Prepaid property taxes	119,061	121,791
Deferred revenues (note 5)	2,272,996	1,373,495
Deferred revenue ▶ other	426,346	490,570
Long term liabilities (note 7)	14,178,610	16,594,662
	<b>19,497,815</b>	21,697,739
<b>NET DEBT</b>	<b>(3,982,796)</b>	(8,889,672)
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 15)	100,253,142	101,850,075
Tangible capital assets ▶ Library (note 15)	25,819	21,136
Inventories	106,854	123,533
Prepaid expenses	5,400	5,400
	<b>100,391,215</b>	102,000,144
Commitments (note 12) Contingent Liabilities (note 13)		
<b>MUNICIPAL EQUITY</b> (note 8)	<b>96,408,419</b>	93,110,472

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



**Town of Arnprior  
Consolidated Statement of Operations**

For the year ended December 31	(Note 17) Budget	2020	2019
	\$	\$	\$
<b>REVENUES</b>			
Taxation ▶ residential	7,222,045	<b>7,288,588</b>	6,915,593
▶ commercial	2,410,088	<b>2,432,358</b>	2,308,458
▶ garbage collection	755,350	<b>764,700</b>	636,189
▶ other governments	123,000	<b>123,960</b>	123,255
User charges ▶ recreation and culture	1,420,453	<b>896,114</b>	1,404,241
▶ roads	77,800	<b>216,554</b>	117,090
▶ environmental	4,956,070	<b>4,792,448</b>	4,705,015
▶ other	408,614	<b>459,702</b>	411,044
Government transfers	2,461,754	<b>2,522,592</b>	2,269,907
Developer contribution (note 5)	25,000	<b>25,000</b>	207,525
Investment income	58,500	<b>77,964</b>	82,285
Penalties and interest on taxes	169,000	<b>140,629</b>	156,402
Provincial offenses	32,000	<b>34,624</b>	44,123
Other	6,600	<b>54,211</b>	645,820
<b>TOTAL REVENUES</b>	20,126,274	<b>19,829,444</b>	20,026,947
<b>EXPENSES</b>			
General government	1,972,340	<b>2,193,492</b>	1,944,559
Protection to persons and property	3,087,123	<b>3,060,300</b>	2,948,339
Transportation services	2,706,909	<b>2,592,621</b>	3,826,852
Environmental services	6,088,240	<b>6,100,693</b>	6,007,481
Health services	206,100	<b>234,310</b>	206,772
Recreation and cultural services	3,572,958	<b>3,135,740</b>	3,792,075
Planning and development	359,350	<b>211,481</b>	343,333
<b>TOTAL EXPENSES</b>	17,993,020	<b>17,528,637</b>	19,069,411
<b>NET REVENUES FROM OPERATIONS</b>	2,133,254	<b>2,300,807</b>	957,536
<b>OTHER</b>			
Grants and transfers related to capital			
Government grants	575,144	---	542,951
Gas tax funding	---	<b>266,807</b>	525,246
Donations	---	<b>267,423</b>	---
Developer contributions (note 5)	---	<b>673,919</b>	(175,710)
	575,144	<b>1,208,149</b>	892,487
<b>ANNUAL SURPLUS</b>	2,708,398	<b>3,508,956</b>	1,850,023
<b>MUNICIPAL EQUITY, BEGINNING OF YEAR</b>	93,110,472	<b>93,110,472</b>	91,260,449
<b>ADJUSTMENT TO MUNICIPAL EQUITY</b> (Note 8)	---	<b>(211,009)</b>	---
	93,100,472	<b>92,899,463</b>	91,260,449
<b>MUNICIPAL EQUITY, END OF YEAR</b>	95,818,870	<b>96,408,419</b>	93,110,472

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

**Town of Arnprior**  
**Consolidated Statement of Changes in Net Debt**

For the year ended December 31	(Note 17) Budget	2020	2019
	\$	\$	\$
<b>ANNUAL SURPLUS</b>	2,708,398	<b>3,508,956</b>	1,850,023
Amortization of tangible capital assets	3,578,096	<b>3,681,089</b>	4,247,318
Acquisition of tangible capital assets	(3,163,000)	<b>(2,285,350)</b>	(3,090,421)
Disposal of tangible capital assets	---	<b>196,511</b>	606,941
Disposal (acquisition) of supplies inventories	---	<b>16,679</b>	(22,252)
Acquisition of prepaid expenses	---	---	6,541
Adjustment to municipal equity (note 8)	---	<b>(211,009)</b>	---
	415,096	<b>1,608,929</b>	1,748,127
<b>DECREASE IN NET DEBT</b>	3,123,594	<b>4,906,876</b>	3,598,150
<b>NET DEBT, BEGINNING OF YEAR</b>	(8,889,672)	<b>(8,889,672)</b>	(12,487,822)
<b>NET DEBT END OF YEAR</b>	(5,766,078)	<b>(3,982,796)</b>	(8,889,672)

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

**Town of Arnprior  
Consolidated Statement of Cash Flows**

For the year ended December 31	2020	2019
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Annual surplus for the year	3,508,956	1,850,023
Non-consolidated of Airport	(211,009)	---
Amortization	3,681,089	4,247,318
	<b>6,979,036</b>	<b>6,097,341</b>
Net Change in Non-Cash Working Capital Balances		
Taxes receivable	(10,213)	(34,710)
User charges receivable	(63,818)	(28,314)
Accounts receivable	147,946	(100,325)
Accrued landfill	54,154	102,674
Accounts payable and accrued liabilities	(670,573)	424,602
Prepaid property taxes	(2,730)	(3,855)
Deferred revenues ▶ obligatory reserve funds	899,501	1,403,542
Inventories	16,679	(22,252)
Long term investments	(28)	---
Prepaid expenses	---	6,541
Deferred revenues	(64,224)	118,160
	<b>306,694</b>	<b>1,866,063</b>
<b>Working Capital from Operations</b>	<b>7,285,730</b>	<b>7,963,040</b>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(2,285,350)	(3,090,421)
Disposal of tangible capital assets	196,511	606,941
<b>Net investment in tangible capital assets</b>	<b>(2,088,839)</b>	<b>(2,483,480)</b>
<b>INVESTING ACTIVITIES</b>		
Long term investment redeemed	---	31,782
<b>Net decrease in cash from investing activities</b>	<b>---</b>	<b>31,782</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of long term debt	(2,416,052)	(2,351,891)
<b>Net decrease in cash from financing activities</b>	<b>(2,416,052)</b>	<b>(2,351,891)</b>
<b>NET INCREASE IN CASH</b>	<b>2,780,839</b>	<b>3,159,815</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>9,558,210</b>	<b>6,398,395</b>
<b>CASH, END OF YEAR</b>	<b>12,339,049</b>	<b>9,558,210</b>

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

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# Town of Arnprior

## Notes to the Consolidated Financial Statements

**December 31, 2020**

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

The Town of Arnprior (the 'Town') was incorporated 1892 (previously incorporated as a village in 1862) and assumed its responsibilities under the authority of the Provincial Secretary. The Town operates as a lower tier government in the County of Renfrew, in the Province of Ontario, Canada and provides municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations.

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

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

#### **Reporting Entity**

- (i) The consolidated financial statements reflect the financial assets, liabilities, operating revenues and expenses, reserves, reserve funds and changes in investment in tangible capital assets of the Town. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Town and which are owned or controlled by the Town. Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated. These consolidated financial statements include:
  - Municipal Cemetery
  - Business Improvement Area Committee
  - Public Library Board
  - Airport Commission
- (ii) The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these consolidated financial statements.

#### **Basis of Accounting**

- (i) The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.
- (ii) Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.
- (iii) Trust funds and their related operations administered by the Town are not included in these financial statements but are reported separately on the Trust Funds Statement of Financial Activities and Financial Position.

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**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

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**2. Significant Accounting Policies / continued**

**Taxation and Related Revenues**

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

**Tangible Capital Assets**

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

Land	
Land Improvements	
Buildings	20 - 75 years
Machinery and Equipment	5 - 20 years
Vehicles	10 - 20 years
Linear Assets	
Roads	30 - 80 years

Amortization is charged in the year after acquisition.

Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

The Town has a capitalization threshold of \$10,000 for vehicles, heavy equipment and buildings. \$50,000 for mains, road bases, surfaces and sidewalks so that individual capital assets of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operations reasons.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of other asset as of the date of transfer.

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

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# Town of Arnprior

## Notes to the Consolidated Financial Statements

December 31, 2020

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### 2. Significant Accounting Policies / continued

#### Tangible Capital Assets / continued

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

#### Leases

Leases are classified as capital or operations leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

#### Inventories

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

#### Cash and Cash Equivalents

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

#### Government Transfers

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

#### Deferred Revenues

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

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

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

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# Town of Arnprior

## Notes to the Consolidated Financial Statements

December 31, 2020

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### 2. Significant Accounting Policies / continued

#### Investments

Short-term and long-term investments are recorded at cost plus accrued interest. If the market value of investments become lower than cost and the decline in value is considered to be other than temporary, the investments are written down to market value.

Investment income earned on available current funds and reserve funds (other than obligatory funds). Are reported as revenue in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the respective deferred revenue balance.

#### Landfill Closure and Post-Closure Liabilities

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

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

#### Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

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

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

#### Financial Instruments

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

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

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**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

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**2. Significant Accounting Policies / continued**

**Financial Instruments / continued**

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

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

**Measurement Uncertainty**

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

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**3. Operations of the School Boards and County of Renfrew**

During 2020, the Town collected and made property tax transfers including payments in lieu of property taxes, to the County of Renfrew and School Boards as follows:

	<b>School Boards</b>	<b>County</b>
	<b>\$</b>	<b>\$</b>
Property taxes	<b>2,549,101</b>	<b>4,007,571</b>
Taxation from other governments	<b>941</b>	<b>27,865</b>
Amounts requisitioned and paid	<b>2,550,042</b>	<b>4,035,436</b>

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**4. Long Term Investments**

Long term investments, which consist of guaranteed investment certificates are recorded on the Consolidated Statement of Financial Position at cost plus accrued interest. Interest rates range between 1.40% to 2.70% with maturity dates between March 2019 and August 2022. They have a market value of \$998,380 at December 31, 2020 (2019 \$998,980).

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**5. Deferred Revenues**

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



**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

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**5. Deferred Revenues** / continued

The transactions for the year are summarized below:

	Federal Gas Tax	Development Charges	Recreational Land	Total
	\$	\$	\$	\$
January 1, 2020	9,550	1,174,885	189,060	<b>1,373,495</b>
Contributions from developers	---	1,584,002	---	<b>1,584,002</b>
Interest	1,040	11,797	1,581	<b>14,418</b>
Government grants	266,807	---	---	<b>266,807</b>
Transfer to capital fund	(266,807)	(673,919)	---	<b>(940,726)</b>
Transfer to operating fund	---	(25,000)	---	<b>(25,000)</b>
December 31, 2020	10,590	2,071,765	190,641	<b>2,272,996</b>

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**6. Landfill Closure and Post Closure Liability**

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

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

Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the Town's average long term borrowing rate of 5.0% and using an assumed rate of 3.0% for inflation. The estimated total landfill closure and post-closure care expenses are calculated to be approximately \$1,632,605 (2019 \$1,578,451). The estimated liability for these expenses is recognized immediately. Included in liabilities on the Consolidated Statement of Financial Position at December 31, 2020 is an amount of \$1,632,605 (2019 \$1,578,451) with respect to landfill closure and post-closure liabilities recognized to date. The estimated total undiscounted expenses over the 25 year post closure period amount to approximately \$3,600,714.

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**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

**7. Long Term Liabilities**

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

	2020	2019
	\$	\$
Total long term liabilities incurred by the municipality including those incurred on behalf of school boards, other municipalities and municipal enterprises and outstanding at the end of the year amount to:	<b>14,178,610</b>	<b>16,594,662</b>
Net long term liabilities at the end of the year	<b>14,178,610</b>	<b>16,594,662</b>

- (b) Principal payments fall due as follows:

	Total
	\$
2021	2,065,245
2022	1,286,205
2023	1,337,069
2024	1,390,117
2025	1,324,857
2026 and thereafter	6,775,117
	<b>14,178,610</b>

- (c) Interest expense on long term liabilities in 2020 amounted to \$610,178 (2019 \$642,998).
- (d) These payments are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

**8. Municipal Equity**

Municipality's equity consists of:

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
Investment in tangible capital assets		
Tangible capital assets	<b>100,278,961</b>	101,871,211
Long term liabilities	<b>(14,178,610)</b>	(16,594,662)
	<b>86,100,351</b>	85,276,549
Unrestricted surplus	<b>2,128,625</b>	669,219
Unfunded landfill closure (note 6)	<b>(1,632,605)</b>	(1,578,451)
Reserves (Schedule 1)	<b>2,587,083</b>	2,500,020
Reserve Funds (Schedule 1)	<b>7,224,965</b>	6,243,135
<b>Total Municipal Equity</b>	<b>96,408,419</b>	93,110,472

**Restated Municipal Equity**

The comparative information included the proportionate consolidated of the Arnprior Airport. The consolidated financial statements do not include the proportionate consolidation of the Arnprior Airport for the 2020 year due to the change in control of the Airport Commission.

	\$
Municipal Equity, January 1, 2020	
As previously reported	93,110,472
Arnprior Airport	
Share of reserves	(26,844)
Share of surplus	(184,165)
<b>Restated Municipal Equity, January 1, 2020</b>	<b>92,899,463</b>

**9. Trust Funds**

Trust funds administered by the Town amounting to \$771,741 (2019 \$752,593) are presented in a separate financial statement of trust fund balances and operations. As such balances are held in trust by the Town for the benefit of others, they are not presented as part of the Town's financial position or financial activities.

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**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

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**10. Pension Contributions**

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

The amount contributed to OMERS was \$379,783 (2019 \$374,018) for current services and is included as an expenditure on the Consolidated Statement of Operations classified under the appropriate functional expenditure. Contributions by employees were a similar amount.

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**11. Contractual Obligations**

- (a) There is no contract for policing services. The Town is provided police services by the Ontario Provincial Police under Section 5.1 of the Police Services Act. The annual charges are determined based on base costs and calls for service, overtime, prisoner transport, cleaning and accommodation. The adjustment as a result of the 2019 reconciliation of annual costs will be included on the 2020 billing statement. The amount paid in 2020 for police service usage was \$1,815,960 unreconciled, however, there was a 2020 transition billing adjustment of \$20,862 that reduced the police service usage to \$1,795,098 (2019 \$1,786,812 less \$16,544) paid in reimbursement funds.
  - (b) The Town of Arnprior has negotiated a multi-year contract with Tomlinson Environmental Services for the operation and supervision of the Solid Waste Disposal Site. The contract commenced September of 2016 and will end August 2021. The Town is committed to payment of \$305,280 in 2020 (2019 \$287,950) including the net HST that the municipality pays.
  - (c) The Town of Arnprior has entered into a multi-year contract with Topps Environmental Solutions (803836 Ontario Inc.) for the collection of recycling. The contract commenced August 3, 2020 and is for a three year period with the option of two one year extensions. The Town's annual commitment is estimated at \$206,534 however, annual charges under the contract are determined based on the number of households and is adjusted annually for inflation and fuel surcharges. 2020 payments for recycling collection were \$347,773 (2019 \$144,872 – 5 months) with January to September covered under a temporary service contract and August to December covered under the new contract.
  - (d) The Town of Arnprior has entered into an agreement with Halton Recycling Ltd. doing business as (dba) Emittera Environmental for the processing and marketing of recyclable materials. The contract commenced August 3, 2020 and is for a three year period with the option of two one year extensions. The Town's annual commitment is estimated at \$74,117.83 however the annual charges are determined based on tonnage and is adjusted annual for inflation. 2020 payments for the period August 3 to December 31 were \$26,221.28.
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**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

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**12. Commitments**

The Town of Arnprior is a member of the Municipalities Benefit Committee (MBC) which is an employee group benefits plan arranged through Manulife to share in the financial risk of extended health and dental benefits. In the event that a deficit position is incurred, the Town must repay their pro-rata share of the deficit through a lump sum deposit or an increase in future annual premiums collected through the monthly billed rates. In the case of a surplus position, upon full funding of the claims fluctuation reserve (DFR), the surplus is transferred to a deposit account held by Manulife on the MBC's behalf. The surplus funds in the deposit account are to be used to fund premium requirements, enhancements to the benefit plan or fund future deficits. If the Town of Arnprior leaves the MBC, the Town forfeits its right to any surplus.

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**13. Contingent Liabilities**

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. With respect to claims as at December 31, 2020, management believes that the Town has valid defences and appropriate insurance coverages in place.

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

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**14. Risk Management**

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

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

The Town's exposure to and management of risk has not changed materially from December 31, 2019.

**Credit Risk**

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

**Interest Rate Risk**

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

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**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

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**14. Risk Management / continued**

**Liquidity Risk**

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

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**15. Tangible Capital Assets**

	2020	2019
	\$	\$
Land	1,650,155	1,650,155
Land Improvements	807,113	496,816
Buildings	43,579,708	44,745,081
Machinery and Equipment	2,114,319	2,034,863
Vehicles	2,098,439	2,271,256
Linear Assets	49,770,742	50,609,973
Construction in Progress	258,485	63,067
	<b>100,278,961</b>	<b>101,871,211</b>

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

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**16. Segmented Information**

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

Departments have been separately disclosed in the segmented information, along with the service they provide, as set out in the schedule below.

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

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

- (i) General government is comprised of Council and administration and is responsible for the overall governance and management of the Municipality.
- (ii) Protection to persons and property is comprised of police, fire and other protective services.
- (iii) Transportation is comprised of roads including parking, signs and signals, streetlights and the maintenance of roads of the Municipality.

**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

**16. Segmented Information / continued**

- (iv) Environmental services includes water supply and distribution, wastewater treatment and waste and recycling services.
- (v) Health services includes the management and maintenance of cemeteries and long term care funding.
- (vi) Recreational and cultural services includes parks and recreation, culture and libraries and airports.
- (vii) Planning and development services are comprised of managing development for residential and business interest, as well as infrastructure and parks.

<b>2020</b>	<b>Salaries, Wages &amp; Employee Benefits</b>	<b>Debenture Debt Interest</b>	<b>Materials &amp; Services</b>	<b>External Transfers</b>	<b>Amortization</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
<b>General Government</b>						
Governance	177,608	---	19,271	---	---	196,879
Corporate Management & Program Support	921,762	---	956,938	---	117,913	1,996,613
<b>Protection to Persons and Property</b>						
Fire	543,005	37,090	222,393	---	186,704	989,192
Police	---	---	1,801,549	---	---	1,801,549
Protective Inspection	124,606	---	144,953	---	---	269,559
<b>Transportation</b>						
Roadways	559,653	16,619	331,255	---	1,011,208	1,918,735
Street Lighting	361	5,349	61,534	---	---	67,244
Winter Control	135,742	---	470,900	---	---	606,642
<b>Environmental</b>						
Waterworks & Sewer	994,789	551,120	1,344,929	---	2,091,217	4,982,055
Waste Management	76,166	---	1,042,472	---	---	1,118,638
<b>Health Services</b>						
Cemeteries	74,698	---	59,613	---	---	134,311
Long Term Care	---	---	---	100,000	---	100,000
<b>Recreation and Cultural Services</b>						
Parks	159,040	---	78,799	---	---	237,839
Recreation Programs	1,072,306	---	900,583	---	268,951	2,241,840
Library	369,211	---	49,497	---	5,096	423,804
Museum	114,382	---	57,875	---	---	172,257
Airport	---	---	---	60,000	---	60,000
<b>Planning and Development</b>						
Planning & Zoning	122,700	---	88,781	---	---	211,481
<b>2020</b>	<b>5,446,029</b>	<b>610,178</b>	<b>7,631,342</b>	<b>160,000</b>	<b>3,681,089</b>	<b>17,528,638</b>

**Town of Arnprior**  
**Notes to the Consolidated Financial Statements**

**December 31, 2020**

**16. Segmented Information / continued**

<b>2019</b>	<b>Salaries, Wages &amp; Employee Benefits</b>	<b>Debenture Debt Interest</b>	<b>Materials &amp; Services</b>	<b>External Transfers</b>	<b>Amortization</b>	<b>Total</b>
\$	\$	\$	\$	\$	\$	\$
<b>General Government</b>						
Governance	173,281	---	29,398	---	---	202,679
Corporate Management & Program Support	1,079,051	---	480,876	14,454	167,499	1,741,880
<b>Protection to Persons and Property</b>						
Fire	535,873	20,129	223,458	---	151,600	931,060
Police	---	---	1,770,268	---	8,481	1,778,749
Protective Inspection	116,998	---	121,532	---	---	238,530
<b>Transportation</b>						
Roadways	675,204	17,223	541,099	---	1,556,566	2,790,092
Street Lighting	104	6,435	65,949	---	---	72,488
Winter Control	169,659	---	794,613	---	---	964,272
<b>Environmental</b>						
Waterworks & Sewer	1,009,587	599,211	1,428,871	---	2,084,200	5,121,869
Waste Management	62,945	---	822,667	---	---	885,612
<b>Health Services</b>						
Cemeteries	53,118	---	53,654	---	---	106,772
Long Term Care	---	---	---	100,000	---	100,000
<b>Recreation and Cultural Services</b>						
Parks	196,783	---	95,894	---	---	292,677
Recreation Programs	1,438,001	---	943,191	18,000	273,936	2,673,128
Library	408,110	---	40,696	---	5,036	453,842
Museum	138,143	---	234,285	---	---	372,428
Airport	---	---	---	---	---	---
<b>Planning and Development</b>						
Planning & Zoning	236,394	---	59,038	47,901	---	343,333
<b>2019</b>	<b>6,293,251</b>	<b>642,998</b>	<b>7,705,489</b>	<b>180,355</b>	<b>4,247,318</b>	<b>19,069,411</b>



# Town of Arnprior

## Notes to the Consolidated Financial Statements

December 31, 2020

### 17. Budget Figures

The 2020 budget amounts that were approved were not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Board Standards). The budget included capital items such as infrastructure replacements and estimated costs for constructed assets, as program expenses, but the actual expenses have been removed in the Statement of Operations. The revenues attributable to these items continue to be included in the Statement of Operations, resulting in a significant variance. The following analysis is provided to assist readers in their understanding of differences between the approved budget and the audited financial statements:

	Budget	Actual
	\$	\$
Total Revenues	20,126,274	19,829,444
Total Expenses	(17,993,020)	(17,528,637)
Net Revenues	2,133,254	2,300,807
Amortization	3,578,096	3,681,089
Adjusted Net Revenues	5,711,350	5,981,896
Capital Revenues	575,144	1,208,149
Funds Available	6,286,494	7,190,045
Capital Expenses	(3,163,000)	(2,285,350)
Principal Repayments	(2,416,051)	(2,416,050)
(Decrease) Increase in Operating Surplus	707,443	2,488,645
<b>Allocated as follows:</b>		
Current Year (Deficit) Surplus	(2,416)	1,419,752
Net Transfers to Reserves	709,859	1,068,893
	707,443	2,488,645

### 18. Impact of COVID-19

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ('COVID-19') as a pandemic. This resulted in governments worldwide, including the Canadian, Ontario and municipal governments, enacting emergency measures to combat the spread of the virus.

The pandemic has had significant operational and financial impacts including service reductions, declines in associated user fee revenues and additional costs. While impacts have been mitigated by associated funding and other cost saving measures, the pandemic has created uncertainty over current and future year operations and the financial position of the Municipality.

The duration and impact of COVID-19 are unknown at this time. It is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and conditions of the Municipality in future periods. The Municipality continues to closely monitor and assess the impact on its operations. It is management's assessment that the Municipality will have sufficient resources to mitigate the potential losses in 2021 as a result of COVID-19.

**Town of Arnprior**  
**Schedule 1 ▶ Continuity of Reserves and Reserve Funds**

For the year ended December 31	(Note 17) Budget	2020	2019
	\$	\$	\$
<b>Net Transfers From / (To) Other Funds</b>			
Transfers from (to) capital	4,523,714	5,123,338	(1,709,275)
Interest	---	70,650	119,463
Transfers from capital acquisitions	(3,813,855)	(4,125,096)	3,030,791
<b>Total Net Transfers</b>	709,859	1,068,892	1,440,979
<b>Reserves and Reserve Fund Balances, Change in Year</b>	709,859	1,068,892	1,440,979
<b>Reserves and Reserve Fund Balances, Beginning of Year</b>	8,743,156	8,743,156	7,302,177
<b>Reserves and Reserve Fund Balances, End of Year</b>	9,453,015	9,812,048	8,743,156

**Composition of Reserves and Reserve Funds**

For the year ended December 31	2020	2019
	\$	\$
<b>Reserves set aside for specific purposes by Council:</b>		
▶ for working capital	464,432	429,488
▶ for contingency	574,623	669,847
▶ for building	389,178	262,966
▶ for marketing	100,000	76,842
▶ for policing	124,999	124,999
▶ for winter control	410,347	342,868
▶ for election	22,603	15,103
▶ for development	12,686	16,786
▶ for grants	216,460	328,773
▶ for waste	81,584	58,209
	<b>2,396,912</b>	2,325,881
<b>Reserves set aside for specific purposes by the Board:</b>		
▶ for BIA	6,354	6,306
▶ for library	183,817	140,989
▶ for airport	---	26,844
	<b>190,171</b>	174,139
<b>Reserves Funds set aside for specific purposes by Council:</b>		
▶ for landfill	1,817,418	1,748,213
▶ for parking lot	(153,848)	(218,459)
▶ for museum	83,846	72,828
▶ for water	(578,695)	(637,022)
▶ for wastewater	416,593	436,419
▶ for capital	5,574,013	4,773,978
▶ for JA Gaumond	45,050	52,859
▶ for cemetery	20,588	14,320
	<b>7,224,965</b>	6,243,136
<b>Total Reserves and Reserve Funds</b>	<b>9,812,048</b>	8,743,156

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

**Town of Arnprior**  
**Schedule 2 ▶ 2020 Tangible Capital Assets**

Asset Class	Cost 01/01/20	Additions	(Disposals)	Cost 31/12/20
	\$	\$	\$	\$
Land	1,650,155	---	---	<b>1,650,155</b>
Land Improvements	1,063,790	362,464	---	<b>1,426,254</b>
Buildings	69,084,663	758,843	---	<b>69,843,506</b>
Machinery & Equipment	4,686,237	293,106	(186,117)	<b>4,793,226</b>
Vehicles	3,702,923	81,601	(421,474)	<b>3,363,050</b>
Linear Assets	69,283,585	593,926	(164,695)	<b>69,712,816</b>
Construction in Progress	63,067	195,418	---	<b>258,485</b>
	<b>149,534,420</b>	<b>2,285,358</b>	<b>(772,286)</b>	<b>151,047,492</b>

Asset Class	Accumulated Amortization 01/01/20	Amortization	(Disposals)	Accumulated Amortization 31/12/20	Net Book Value 31/12/20
	\$	\$	\$	\$	\$
Land	---	---	---	---	<b>1,650,155</b>
Land Improvements	566,974	52,167	---	<b>619,141</b>	<b>807,113</b>
Buildings	24,339,582	1,924,216	---	<b>26,263,798</b>	<b>43,579,708</b>
Machinery & Equipment	2,651,720	213,657	(186,117)	<b>2,679,260</b>	<b>2,113,966</b>
Vehicles	1,431,668	210,384	(377,441)	<b>1,264,611</b>	<b>2,098,439</b>
Linear Assets	18,673,621	1,280,666	(12,213)	<b>19,942,074</b>	<b>49,770,742</b>
Construction in Progress	---	---	---	---	<b>258,485</b>
	<b>47,663,565</b>	<b>3,681,090</b>	<b>(575,771)</b>	<b>50,768,884</b>	<b>100,278,608</b>

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

**Town of Arnprior**  
**Schedule 2 ▶ 2019 Tangible Capital Assets**

Asset Class - (Note 18)	Cost 01/01/19	Additions	(Disposals)	Cost 31/12/19
	\$	\$	\$	\$
Land	1,650,155	---	---	<b>1,650,155</b>
Land Improvements	1,039,678	24,112	---	<b>1,063,790</b>
Buildings	68,946,380	367,616	(229,333)	<b>69,084,663</b>
Machinery & Equipment	4,341,941	425,290	(81,007)	<b>4,686,224</b>
Vehicles	3,391,977	331,496	(20,550)	<b>3,702,923</b>
Linear Assets	68,252,340	1,610,401	(579,156)	<b>69,283,585</b>
Construction in Progress	151,049	331,506	(419,488)	<b>63,067</b>
	<b>147,773,520</b>	<b>3,090,421</b>	<b>(1,329,534)</b>	<b>149,534,407</b>

Asset Class	Accumulated Amortization 01/01/19	Amortization	(Disposals)	Accumulated Amortization 31/12/19	Net Book Value 31/12/19
	\$	\$	\$	\$	\$
Land	---	---	---	---	<b>1,650,155</b>
Land Improvements	515,149	51,825	---	<b>566,974</b>	<b>496,816</b>
Buildings	22,585,604	1,950,473	(196,495)	<b>24,339,582</b>	<b>44,745,081</b>
Machinery & Equipment	2,517,901	214,166	(80,706)	<b>2,651,361</b>	<b>2,034,863</b>
Vehicles	1,228,692	223,525	(20,550)	<b>1,431,667</b>	<b>2,271,256</b>
Linear Assets	17,291,125	1,807,329	(424,842)	<b>18,673,612</b>	<b>50,609,973</b>
Construction in Progress	---	---	---	---	<b>63,067</b>
	<b>44,138,471</b>	<b>4,247,318</b>	<b>(722,593)</b>	<b>47,663,196</b>	<b>101,871,211</b>

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



## INDEPENDENT AUDITOR'S REPORT

---

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

### Opinion

We have audited the financial statements of the trust fund of the Corporation of the Town of Arnprior (the 'Entity'), which comprise:

- the statement of financial position as at December 31, 2020;
- the statement of financial activities for the year then ended;
- and the notes to the financial statements, including a summary of significant accounting policies;

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of its financial activities for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### Basis for Opinion

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

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

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

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

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

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Allan and Partners LLP  
Chartered Professional Accountants  
Licensed Public Accountants

Perth, Ontario  
May 25, 2021.

**Town of Arnprior  
Trust Fund  
Statement of Financial Position**

December 31	Cemetery Care and Maintenance	Neilson Trust	2020	2019
	\$	\$	\$	\$
<b>ASSETS</b>				
Cash	---	32	32	32
Investments	700,560	52,000	752,560	752,561
Accrued interest receivable	207,072	---	207,072	188,061
Due from Town of Arnprior	19,148	---	19,148	---
	926,780	52,032	978,812	940,654
<b>LIABILITIES</b>				
Accounts payable	207,071	---	207,071	188,061
Fund balance	719,709	52,032	771,741	752,593
	926,780	52,032	978,812	940,654

**Statement of Financial Activities**

For the year ended December 31	Cemetery Care and Maintenance	Neilson Trust	2020	2019
	\$	\$	\$	\$
<b>REVENUES</b>				
Investment income	19,275	---	19,275	16,995
Capital	19,148	---	19,148	16,765
	38,423	---	38,423	33,760
<b>EXPENSES</b>				
Cemetery maintenance	19,275	---	19,275	16,995
<b>NET REVENUES FOR THE YEAR</b>	19,148	---	19,148	16,765
<b>BALANCE AT THE BEGINNING OF THE YEAR</b>	700,561	52,032	752,593	735,828
<b>BALANCE AT THE END OF THE YEAR</b>	719,709	52,032	771,741	752,593

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



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**Town of Arnprior  
Trust Fund  
Notes to the Financial Statements**

**December 31, 2020**

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**1. Significant Accounting Policies**

**Reporting Entity**

Perpetual care receipts, for the war memorial, are reported on the cash basis of accounting and interest income is reported on the accrual basis of accounting.

Expenses are reported on the cash basis of accounting with the exception of administrative 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 or services and the creation of a legal obligation to pay.

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Council, Inhabitants and Ratepayers  
of the Corporation of the Town of Arnprior Municipal Cemetery:

### Opinion

We have audited the financial statements of the Corporation of the Town of Arnprior Municipal Cemetery (the 'Entity'), which comprise:

- the statement of financial position as at December 31, 2020;
- the statement of operations and accumulated surplus for the year then ended;
- and the notes to the financial statements, including a summary of significant accounting policies;

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations, for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### Basis for Opinion

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

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

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

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

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

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Allan and Partners LLP  
Chartered Professional Accountants  
Licensed Public Accountants

Perth, Ontario  
May 25, 2021.

**Arnprior Municipal Cemetery  
Statement of Financial Position**

December 31	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Financial Assets</b>		
Due from Care and Maintenance Trust Fund	207,071	188,061
<b>LIABILITIES</b>		
<b>Financial Liabilities</b>		
Due to the Town of Arnprior	199,380	160,770
Deferred revenue	4,076	4,076
	<b>203,456</b>	<b>164,846</b>
<b>NET FINANCIAL ASSETS</b>	<b>3,615</b>	<b>23,215</b>
<b>ACCUMULATED SURPLUS</b>	<b>3,615</b>	<b>23,215</b>

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

**Arnprior Municipal Cemetery  
Statement of Operations**

For the year ended December 31	(Note 4) Budget	2020	2019
	\$	\$	\$
<b>REVENUES</b>			
Care and maintenance	18,500	19,275	16,995
Burial charges	59,500	64,577	62,426
Plots	34,000	30,664	27,182
Interest income	---	195	332
<b>TOTAL REVENUES</b>	112,000	114,711	106,935
<b>EXPENSES</b>			
Salaries, wages, employee benefits	52,350	74,697	53,118
Services	11,200	11,924	12,544
Material, supplies and utilities	42,550	47,690	41,109
<b>TOTAL EXPENSES</b>	106,100	134,311	106,771
<b>NET (EXPENSES) REVENUES FROM OPERATIONS</b>	5,900	(19,600)	164
<b>ANNUAL (DEFICIT) SURPLUS</b>	5,900	(19,600)	164
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	23,215	23,215	23,051
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	29,115	3,615	23,215

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

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# Arnprior Municipal Cemetery

## Notes to the Financial Statements

December 31, 2020

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### 1. Significant Accounting Policies

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

#### Reporting Entity

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

#### Basis of Accounting

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

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

#### Government Transfers

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

#### Financial Instruments

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

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

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

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

#### Measurement Uncertainty

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

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## Arnprior Municipal Cemetery Notes to the Financial Statements

December 31, 2020

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### 2. Related Party Transaction

At year end, the Cemetery had an amount due to the Town of Arnprior of \$199,380 (2019 \$160,770) representing the net balance of cash receipts and payments processed by the Town on behalf of the Cemetery.

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### 3. Trust Funds

Trust funds relating to the Cemetery administered by the Town amounting to \$771,741 (2019 \$752,561) have not been included in these financial statements.

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### 4. Budget Figures

Arnprior Municipal Cemetery reviews its operating and capital budgets each year. The approved operating budget for 2020 is included in the budget figures presented in the Statement of Operations. Budget figures have not been audited and are presented for informational purposes only.

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### 5. Statements of Changes in Net Financial Assets and Cash Flows

Statements of changes in net financial assets and cash flows have not been included in the financial statements as they would not provide additional meaningful information.

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of the Downtown Business Improvement Area Association and Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Arnprior:

### Opinion

We have audited the financial statements of the Downtown Arnprior Business Improvement Area Association (the 'Entity'), which comprise:

- the statement of financial position as at December 31, 2020;
- the statement of operations and accumulated surplus for the year then ended;
- the statement of changes in net financial assets for the year then ended;
- the statement of cash flows for the year then ended;
- and the notes to the financial statements, including a summary of significant accounting policies;

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### Basis for Opinion

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

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

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

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

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

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Allan and Partners LLP  
Chartered Professional Accountants  
Licensed Public Accountants

Perth, Ontario  
May 25, 2021.

**Town of Arnprior  
Downtown Arnprior Business Improvement Area Association  
Statement of Financial Position**

December 31	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and short term deposits	84,242	84,290
<b>LIABILITIES</b>		
<b>Financial Liabilities</b>		
Due to Town of Arnprior	70,000	70,000
<b>NET FINANCIAL ASSETS</b>	14,242	14,290
<b>ACCUMULATED SURPLUS (note 3)</b>	14,242	14,290

**Statement of Operations**

For the year ended December 31	2020	2019
	\$	\$
<b>REVENUES</b>		
Interest	12	12
<b>TOTAL REVENUES</b>	12	12
<b>EXPENSES</b>		
Bank and interest charges	60	60
<b>TOTAL EXPENSES</b>	60	60
<b>ANNUAL DEFICIT</b>	(48)	(48)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	14,290	14,338
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	14,242	14,290

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

**Town of Arnprior**  
**Downtown Arnprior Business Improvement Area Association**  
**Statement of Changes in Net Financial Assets**

For the year ended December 31	2020	2019
	\$	\$
<b>ANNUAL DEFICIT</b>	<b>(48)</b>	<b>(48)</b>
<b>DECREASE IN NET FINANCIAL ASSETS</b>	<b>(48)</b>	<b>(48)</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>14,290</b>	<b>14,338</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>14,242</b>	<b>14,290</b>

**Statement of Cash Flows**

For the year ended December 31	2020	2019
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Annual deficit	<b>(48)</b>	<b>(48)</b>
<b>Working Capital from Operations</b>	<b>(48)</b>	<b>(48)</b>
<b>NET DECREASE IN CASH</b>	<b>(48)</b>	<b>(48)</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>84,290</b>	<b>84,338</b>
<b>CASH, END OF YEAR</b>	<b>84,242</b>	<b>84,290</b>

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

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**Town of Arnprior**  
**Downtown Arnprior Business Improvement Area Association**  
**Notes to the Financial Statements**

**December 31, 2020**

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**1. Status of the Association**

Pursuant to the Municipal Act, the Downtown Arnprior Business Improvement Area Association (the 'Association') was established by By-law No. 4777-82 in 1982 by the Town of Arnprior.

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**2. Significant Accounting Policies**

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

**Reporting Entity**

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

**Basis of Accounting**

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

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

**Tangible Capital Assets**

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

<b>Assets</b>	<b>Estimated Useful Life</b>
Equipment	7 to 10 years

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

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the assets as of the date of transfer.

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**Town of Arnprior  
Downtown Arnprior Business Improvement Area Association  
Notes to the Financial Statements**

**December 31, 2020**

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**2. Significant Accounting Policies / continued**

**Tangible Capital Assets / continued**

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

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

**Cash and Cash Equivalents**

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

**Government Transfers**

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

**Deferred Revenues**

The Association defers recognition of user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

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

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

**Financial Instruments**

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

**Town of Arnprior**  
**Downtown Arnprior Business Improvement Area Association**  
**Notes to the Financial Statements**

**December 31, 2020**

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**2. Significant Accounting Policies / continued**

**Financial Instruments / continued**

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

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

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

**Measurement Uncertainty**

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

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**3. Accumulated Surplus**

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

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
<b>Surplus</b>		
Business Improvement Area Association	<b>7,936</b>	7,984
<b>Reserves</b>		
Working capital	<b>6,306</b>	6,306
<b>Accumulated Surplus</b>	<b>14,242</b>	14,290

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## Management's Responsibility for the Financial Statements

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

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

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

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



## INDEPENDENT AUDITOR'S REPORT

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To the Board Members Inhabitants and Ratepayers  
of the Arnprior Public Library Board:

### Opinion

We have audited the financial statements of the Corporation of the Arnprior Public Library Board (the 'Entity'), which comprise:

- the statement of financial position as at December 31, 2020;
- the statement of operations and accumulated surplus for the year then ended;
- the statement of changes in net financial assets for the year then ended;
- the statement of cash flows for the year then ended;
- and the notes to the financial statements, including a summary of significant accounting policies;

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### Basis for Opinion

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

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

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

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

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

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Allan and Partners LLP  
Chartered Professional Accountants  
Licensed Public Accountants

Perth, Ontario  
May 26, 2021.

**Arnprior Public Library Board  
Statement of Financial Position**

December 31	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash	212,062	129,728
Accounts receivable	47,770	3,163
Investments	27,436	27,430
	<b>287,268</b>	160,321
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	9,727	9,164
Due to Town of Arnprior	92,477	9,571
	<b>102,204</b>	18,735
<b>NET FINANCIAL ASSETS</b>	<b>185,064</b>	141,586
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 5) (Schedule 2)	25,819	21,135
<b>ACCUMULATED SURPLUS (note 4)</b>	<b>210,883</b>	162,721

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

## Arnprior Public Library Board Statement of Operations

For the year ended December 31	(Note 8) Budget	2020	2019
	\$	\$	\$
<b>REVENUES</b>			
Government Grants			
Municipal Grants			
▸ Town of Arnprior	287,134	<b>287,134</b>	289,677
▸ Town of Arnprior			
▸ development charges	4,000	<b>4,000</b>	14,500
▸ Township of McNab/Braeside	129,016	<b>131,786</b>	121,526
▸ Township of Lanark Highlands	1,248	<b>1,248</b>	1,248
Provincial Grants	16,863	<b>18,796</b>	23,066
▸ Operating			
Other Income			
Programming and incidental revenue	16,500	<b>33,198</b>	47,005
Donations	4,000	<b>62,100</b>	46,924
Investment income	1,725	<b>615</b>	2,903
<b>TOTAL REVENUES</b>	460,486	<b>538,877</b>	546,849
<b>EXPENSES</b>			
Salaries, wages and employee benefits	341,028	<b>343,885</b>	403,837
Acquisitions	45,800	<b>34,673</b>	59,144
Programming	23,578	<b>25,734</b>	16,175
Office supplies	9,900	<b>7,259</b>	23,948
Miscellaneous	8,500	<b>46,290</b>	4,292
Copier lease	4,800	<b>4,139</b>	5,532
Professional fees	1,750	<b>2,035</b>	1,730
Insurance	1,350	<b>1,785</b>	1,751
Telephone	4,800	<b>3,461</b>	4,453
Automation	9,000	<b>9,976</b>	8,104
Equipment and maintenance	500	---	3,900
Covid-19	6,800	<b>6,382</b>	---
Amortization of tangible capital assets	5,096	<b>5,096</b>	5,036
<b>TOTAL EXPENSES (note 7)</b>	462,902	<b>490,715</b>	537,902
<b>ANNUAL SURPLUS (DEFICIT)</b>	(2,416)	<b>48,162</b>	8,947
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	162,721	<b>162,721</b>	153,774
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	160,305	<b>210,883</b>	162,721

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

**Arnprior Public Library Board  
Statement of Changes in Net Financial Assets**

For the year ended December 31	(Note 8) Budget	2020	2019
	\$	\$	\$
<b>ANNUAL SURPLUS (DEFICIT)</b>	(2,416)	<b>48,162</b>	8,947
Amortization of tangible capital assets	5,096	<b>5,096</b>	5,036
Acquisition of tangible capital assets	(3,500)	<b>(9,780)</b>	(1,202)
	1,596	<b>(4,684)</b>	3,834
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	(820)	<b>43,478</b>	12,781
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	141,586	<b>141,586</b>	128,805
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	140,766	<b>185,064</b>	141,586

**Statement of Cash Flows**

For the year ended December 31	2020	2019
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Annual surplus for the year	<b>48,162</b>	8,947
Amortization	<b>5,096</b>	5,036
	<b>53,258</b>	13,983
Net Change in Non-Cash Working Capital Items		
Accounts receivable	<b>(44,607)</b>	291
Accounts payable and accrued liabilities	<b>563</b>	(186)
Due to Town of Arnprior	<b>82,906</b>	(38,677)
Investments	<b>(6)</b>	32,147
	<b>38,856</b>	(6,425)
<b>Working Capital from Operations</b>	<b>92,114</b>	7,558
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	<b>(9,780)</b>	(1,202)
<b>NET INCREASE IN CASH</b>	<b>82,334</b>	6,356
<b>CASH, BEGINNING OF YEAR</b>	<b>129,728</b>	123,372
<b>CASH, END OF YEAR</b>	<b>212,062</b>	129,728

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

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# Arnprior Public Library Board Notes to the Financial Statements

December 31, 2020

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## 1. Status of the Board

The Arnprior Public Library Board (the 'Board') was established in 1895.

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## 2. Significant Accounting Policies

The financial statements of the Arnprior Public Library Board are the representations of management prepared in accordance with Canadian Public Sector Accounting Standards. Significant aspects of the accounting policies by the Board are as follows:

### Reporting Entity

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

### Basis of Accounting

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

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

### Tangible Capital Assets

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

Assets	Estimated Useful Life
Furniture and Equipment	5 to 20 years

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

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of other assets as of the date of transfer.

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



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# Arnprior Public Library Board Notes to the Financial Statements

December 31, 2020

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## 2. Significant Accounting Policies / continued

### Tangible Capital Assets / continued

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

### Cash and Cash Equivalents

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

### Government Transfers

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

### Deferred Revenues

The Board defers recognition of user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

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

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

### Financial Instruments

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

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

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

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

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# Arnprior Public Library Board Notes to the Financial Statements

December 31, 2020

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## 2. Significant Accounting Policies / continued

### Measurement Uncertainty

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

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## 3. Risk Management

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

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

The Board's exposure to and management of risk has not changed materially from December 31, 2019.

### Credit Risk

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

### Interest Rate Risk

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

### Liquidity Risk

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

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**Arnprior Public Library Board  
Notes to the Financial Statements**

**December 31, 2020**

**4. Accumulated Surplus**

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

	<b>2020</b>	2019
	\$	\$
<b>Surplus</b>		
Invested in tangible capital assets	<b>25,819</b>	21,135
 <b>Reserves</b>		
Future development	<b>7,903</b>	10,705
Jack Lammert reserve	<b>10,000</b>	---
Norma Hall bequest	<b>17,704</b>	17,704
D. Macklem	<b>5,000</b>	5,000
Adult programs	<b>12,341</b>	12,341
Gaumond bequest	<b>39,663</b>	39,663
Programs	<b>3,466</b>	3,466
Books	<b>6,665</b>	6,665
Scharf Family Charitable Trust	<b>82,322</b>	46,042
Total Reserves	<b>185,064</b>	141,586
<b>Accumulated Surplus</b>	<b>210,883</b>	162,721

**5. Tangible Capital Assets**

	<b>2020</b>	2019
	\$	\$
Furniture and Equipment	<b>25,819</b>	21,135

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

**6. Development Charges**

The Town of Arnprior hold development charges that may be used in the future by the Arnprior Public Library Board pending the Town's approval and if conditions of the development charge study are met. The total amount of these funds at year end are \$83,423 (2019 \$81,735).

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# Arnprior Public Library Board Notes to the Financial Statements

December 31, 2020

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## 7. Expenses

Total expenses include an amount of \$40,768 (2019 \$8,808) related to architecture fees included in the miscellaneous expense line item.

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## 8. Budget Figures

Arnprior Public Library Board reviews its operating and capital budgets each year. The approved operating budget for 2020 is included in the budget figures presented in the Statement of Operations.

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## 9. Impact of COVID-19

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ('COVID-19') as a pandemic. This resulted in governments worldwide, including the Canadian, Ontario and municipal governments, enacting emergency measures to combat the spread of the virus.

The pandemic has had significant operational and financial impacts including service reductions, declines in associated user fee revenues and additional costs. While impacts have been mitigated by associated funding and other cost saving measures, the pandemic has created uncertainty over current and future year operations and the financial position of the Board.

The duration and impact of COVID-19 are unknown at this time. It is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial results and conditions of the Board in future periods. The Board continues to closely monitor and assess the impact on its operations. It is management's assessment that the Board will have sufficient resources to mitigate the potential losses in 2021 as a result of COVID-19.

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**Arnprior Public Library Board  
Continuity of Reserves ▶ Schedule 1**

For the year ended December 31	(Note 8) Budget	2020	2019
	\$	\$	\$
<b>Net Transfer From / (To) Other Funds</b>			
Transfers from (to) operations	(16,273)	51,247	12,781
Transfer to capital acquisitions	---	(7,769)	---
<b>Total Net Transfers Approved By Board</b>	(16,273)	43,478	12,781
<b>Reserves, Change in Year</b>	(16,273)	43,478	12,781
<b>Reserves, Beginning of Year</b>	141,586	141,586	128,805
<b>Reserves, End of Year</b>	125,313	185,064	141,586

**Composition of Reserves**

For the year ended December 31	2020	2019
	\$	\$
<b>Reserves</b>		
Future development	7,903	10,705
Jack Lammert reserve	10,000	---
Norma Hall bequest	17,704	17,704
D. Macklem	5,000	5,000
Adult programs	12,341	12,341
Gaumont bequest	39,663	39,663
Programs	3,466	3,466
Books	6,665	6,665
Scharf Family Charitable Trust	82,322	46,042
<b>Total Reserves</b>	185,064	141,586

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

## Arnprior Public Library Board Tangible Capital Assets ▶ Schedule 2

### December 31, 2020

Assets	Cost 01/01/20	Additions	(Disposals)	Cost 31/12/20	Accumulated Amortization 01/01/20	Amortization 2020	Disposal Amortization	Accumulated Amortization 31/12/20	Net Book Value 31/12/20
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Furniture and Equipment	120,500	9,780	---	130,280	99,365	5,096	---	104,461	25,819

### December 31, 2019

Assets	Cost 01/01/19	Additions	(Disposals)	Cost 31/12/19	Accumulated Amortization 01/01/19	Amortization 2019	Disposal Amortization	Accumulated Amortization 31/12/19	Net Book Value 31/12/19
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Furniture and Equipment	119,298	1,202	---	120,500	94,329	5,036	---	99,365	21,135

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