THE CORPORATION OF THE

TOWNSHIP OF GEORGIAN BAY

TRUST FUNDS FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

THE CORPORATION OF THE TOWSHIP OF GEORGIAN BAY TRUST FUNDS

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THE CORPORATION OF THE TOWSHIP OF GEORGIAN BAY TRUST FUNDS

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

Management's Responsibility for the Financial Statements

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

The financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). A summary of the significant accounting policies is described in Note 1 to the financial statements.

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

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

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

Greg Mariotti	Jasvinder Rattigan
Chief Administrative Officer	Director of Financial Services/Treasurer

pahapill cpa

75 Main St W, Suite 2
Huntsville ON
P1H 1W9
(705) 788-0500 office
(705) 788-2503 fax
pahapill.ca

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of the
Corporation of the Township of Georgian Bay

Opinion
We have audited the accompanying financial statements of the trust funds of the Corporation of the Township of Georgian Bay which comprise of the statement of financial position as at December 31, 2025 and results of financial activities for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the trust funds of the Corporation of the Township of Georgian Bay as at December 31, 2025, and its results of 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Pahapill and Associates

Huntsville, Ontario
June 1, 2026

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

THE CORPORATION OF THE TOWNSHIP OF GEORGIAN BAY TRUST FUNDS

STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Care and Maintenance	Monument Care	Performance Bonds	Total 2025	Total 2024
Receipts					
Investment income	$ 2,128	$ -	$ -	$ 2,128	$ 2,839
Perpetual care receipts	1,800	-	-	1,800	1,805
Monument fees	-	400	-	400	600
Developer receipts	-	-	40,000	40,000	36,000
Total Revenue	**3,928**	**400**	**40,000**	**44,328**	**41,244**
Expenditures					
Transfer to developer	-	-	90,867	90,867	120,735
Interest transfered	2,128	-	-	2,128	2,839
Total Expenditures	**2,128**	**-**	**90,867**	**92,995**	**123,574**
Net Surplus	**1,800**	**400**	**(50,867)**	**(48,667)**	**(82,330)**
Opening Fund Balance	**49,215**	**18,403**	**284,265**	**351,883**	**434,213**
Closing Fund Balance	**$ 51,015**	**$ 18,803**	**$ 233,398**	**$ 303,216**	**$ 351,883**

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Care and Maintenance	Monument Care	Performance Bonds	Total 2025	Total 2024
Financial Assets					
Cash	$ 49,015	$ 18,803	$ 233,398	$ 301,216	$ 350,368
Due from Cemetery Board	2,000	-	-	2,000	1,515
	$ 51,015	**$ 18,803**	**$ 233,398**	**$ 303,216**	**$ 351,883**
Liabilities and Fund Balances					
Fund Balances	51,015	18,803	233,398	303,216	351,883
	$ 51,015	**$ 18,803**	**$ 233,398**	**$ 303,216**	**$ 351,883**

THE CORPORATION OF THE TOWNSHIP OF GEORGIAN BAY TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2025

1. ACCOUNTING POLICIES

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

(a) Accrual basis of accounting

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

(b) Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards 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 revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. The estimates are reviewed periodically and any resulting adjustments are reported in earnings in the year in which they become known.

2. CARE AND MAINTENANCE FUND

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