

**The Corporation of the
Municipality of Chatham-Kent - Public Libraries
Financial Statement**
Year ended December 31, 2024

The Corporation of the Municipality of Chatham-Kent - Public Libraries

Table of Contents

For the year ended December 31, 2024

	Page
Independent Auditor's Report	1 - 2
 Financial Statement	
Statement of revenues and expenditures.....	3
Notes to the financial statement.....	4

To the Municipality of Chatham-Kent and the Ministry of Tourism and Culture:

Opinion

We have audited the accompanying statement of revenues and expenditures of Municipality of Chatham-Kent - Public Libraries ("Corporation") for the year ended December 31, 2024 and notes to the statement of revenues and expenditures, including a summary of significant accounting policies (together "the financial statement").

In our opinion, the accompanying financial statement of the Corporation for the year ended December 31, 2024 is prepared, in all material respects, in accordance with basis of accounting described in Note 1.

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 Statement section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statement 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.

Emphasis of Matter – Basis of Accounting and Restriction on Use

We draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial statement is prepared to assist the Corporation in complying with the basis of accounting described in Note 1. As a result, the financial statement may not be suitable for another purpose. Our report is intended solely for the Corporation of the Municipality of Chatham - Kent and the Ministry of Tourism and Culture and should not be used by parties other than the Corporation of the Municipality of Chatham - Kent or the Ministry of Tourism and Culture. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statement

Management is responsible for the preparation of the financial statement, in accordance with the basis of accounting described in Note 1, and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 this financial statement.

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 statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, 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 Corporation'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 statement 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 Corporation to cease to continue as a going concern.

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.

MNP LLP

London, Ontario

Chartered Professional Accountants

August 28, 2025

Licensed Public Accountants

MNP
LLP

The Corporation of the Municipality of Chatham-Kent - Public Libraries
Statement of Revenues and Expenditures
For the year ended December 31, 2024

	2024	2023
	Actual	Actual
	\$	\$
Revenues		
Grants		
Ministry of Tourism and Culture - Operating	221,373	221,373
Ministry of Tourism and Culture - Pay Equity	13,238	13,238
Other federal	2,236	2,093
Other provincial	23,007	350,692
Fees and fines	99,081	87,912
Donations	69,328	72,902
Other Revenues	19,886	13,460
Reserve fund revenues	11,682	10,318
	459,831	771,988
Expenditures		
Wages and benefits	3,602,988	3,438,881
Building and maintenance costs	409,555	387,344
Capital Expenditures	439,420	653,835
Materials	575,751	627,438
Miscellaneous	223,559	211,461
Supplies and equipment	48,137	57,281
Telephone charges	10,897	16,346
Travel and training	41,020	42,401
Van rental	15,437	13,907
Reserve fund expenses	54,961	56,436
	5,421,725	5,505,332
Excess of Expenditures over Revenues	(4,961,894)	(4,733,343)
Source of funding		
Municipality of Chatham-Kent share of expenditures over revenues	(4,961,894)	(4,733,343)

The Corporation of the Municipality of Chatham-Kent - Public Libraries

Notes to the Financial Statement

For the year ended December 31, 2024

1. Basis of presentation

The statement has been prepared in accordance with the accounting policies prescribed by the Ministry of Tourism and Culture (the "Ministry") in the 2024-2025 Application for the Public Library Operating, Pay Equity Grants and First Nation Salary Supplement Grants. Grants received from the Ministry are provided to the Municipality through annual operating and pay equity grants. The amount of operating grants received in fiscal 2024 amounted to \$221,373 (2023 - \$221,373). The grant application requires that the Municipality submit an audited financial statement, and capital expenditures are included in total expenditures rather than being capitalized and amortized over their estimated useful lives. Some donors have restricted the use of funds and funds not used in the year are deferred for future use. The reserve expense is used to defer funds received for future use and the reserve revenue is used to recognize funds that have been previously restricted and spent for their restricted purpose in the current year.