



## The Corporation of the Township of King Report to Council

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<b>From:</b>	Finance Department
<b>Report Number:</b>	FIN-2025-011
<b>Date:</b>	Monday, May 26, 2025
<b>Title:</b>	<b>2024 Consolidated Audited Financial Statements</b>

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### Recommendation

1. That Council receive Report FIN-2025-011 and the 2024 Consolidated Audited Financial Statements.

### 1. Report Highlights

- The 2024 Financial Report and Consolidated Financial Statements have been prepared by Management of the Township of King.
- The financial statements have been examined by the external auditors for the Corporation and an opinion has been provided on whether the financial statements are fairly presented, in all material respects, in accordance with public sector accounting standards.
- Staff prepared a Management Discussion and Analysis (MD&A) report which contains a high-level summary of the 2024 year-end to provide a more detailed approach for transparency and to assist the various stakeholders in understanding the Township's financial picture.

### 2. Purpose

This report provides the annual reporting on the Township's audited consolidated financial statements. The 2024 Financial Report and Consolidated Financial Statements have been prepared by Management and examined by the external auditors for the Corporation.

### 3. Background

Section 296 (1) of the *Municipal Act*, requires that all municipalities appoint an auditor licensed under the *Public Accounting Act, 2004* who is responsible for annually auditing the accounts and transactions of the municipality and its local boards and express an opinion on the financial statements of these bodies based on the audit.

KPMG LLP Chartered Accountants were appointed as independent auditors on October 4, 2022. They have audited the Township's 2024 Consolidated Financial Statements and expressed their opinion within the Independent Auditor's Report that precedes the financial statements.

Under Section 294.1 of the *Municipal Act*, a municipality shall, for each fiscal year, prepare annual financial statements for the municipality in accordance with generally accepted accounting principles (GAAP) for local governments as recommended, from time to time, by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants (CPA) of Canada. Section 295 contains requirements for municipalities to publish a full set of financial statements in a newspaper in the municipality or to advertise the availability of the financial statements within 60 days of receiving the audited financial statements of the previous fiscal year.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards. Management is also responsible for establishing, reviewing, and managing systems of internal control to ensure the safety and security of the Township's assets from potential loss or misuse.

#### **4. Analysis**

Annually, the Township of King is required to prepare and publish audited consolidated financial statements. Attached to this report are:

**Appendix A:** Management Discussion and Analysis for the year ended December 31, 2024

**Appendix B:** Consolidated 2024 Financial Statements for the year ended December 31, 2024

Staff have prepared a Management Discussion and Analysis (Appendix A) to this report which contains a high-level summary of the 2024 year-end to provide a clearer understanding of the Township's financial outlook in the 2024 audited and consolidated financial statements.

#### **5. Financial Considerations**

The financial statements have been prepared in accordance with the Municipal Act, 2001 and based on the reporting standards set by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and best practices in financial reporting by the Municipal Finance Officers Association (MFOA).

The 2024 Financial Report and Consolidated Financial Statements are the responsibility of Management of the Corporation of the Township of King. The financial statements have been examined by KPMG LLP Chartered Professional Accountants, the external auditors for the Corporation. The responsibility of the external auditor is to express an opinion on whether the financial statements are fairly presented, in all material respects, in accordance with public sector accounting standards.

The Financial Highlights below have been extracted from the Township's Consolidated Audited Financial Statements found on Appendix B of this report.

Table 1:

As at December 31, 2024	2024	
What we own (Assets)	\$000's	%
Cash	\$54,475	10%
Investments	35,169	6%
Taxes receivable	10,867	2%
Trade and other receivables	6,222	1%
User charges and sewer receivable	8,797	2%
Non-Financial Assets	444,110	79%
<b>Total</b>	<b>\$559,640</b>	<b>100%</b>

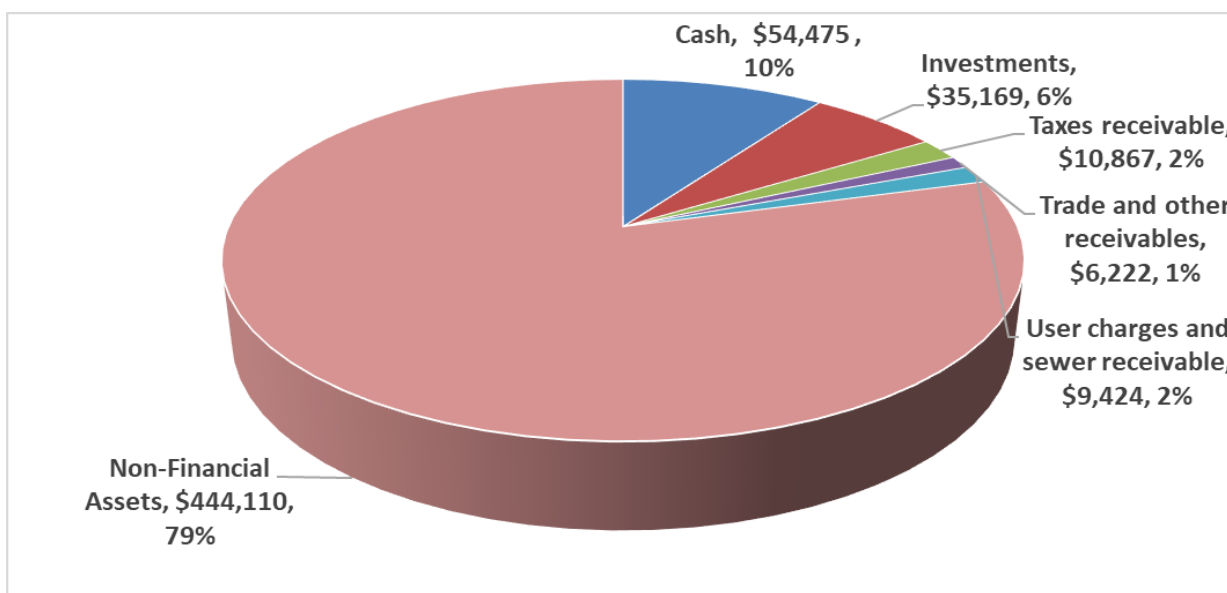


Table 2:

What we owe (Liabilities)	\$000's	%
Accounts payable and accrued liabilities	\$35,663	42%
Developer and other deposits	13,333	16%
Deferred revenue - general & obligatory reserves	16,187	19%
Employee future benefits and other liabilities	4,181	5%
Asset retirement obligation	2,820	3%
Long-term debt	13,081	15%
<b>Total</b>	<b>\$85,265</b>	<b>100%</b>

Net Worth		
Accumulated operating surplus	\$(20,642)	-4%
Investment in Tangible Capital Assets	443,540	93%
Reserve and Reserve Funds	51,477	11%
<b>Total</b>	<b>\$474,375</b>	<b>100%</b>

<b>Total Liabilities and Net Worth</b>	<b>\$559,640</b>
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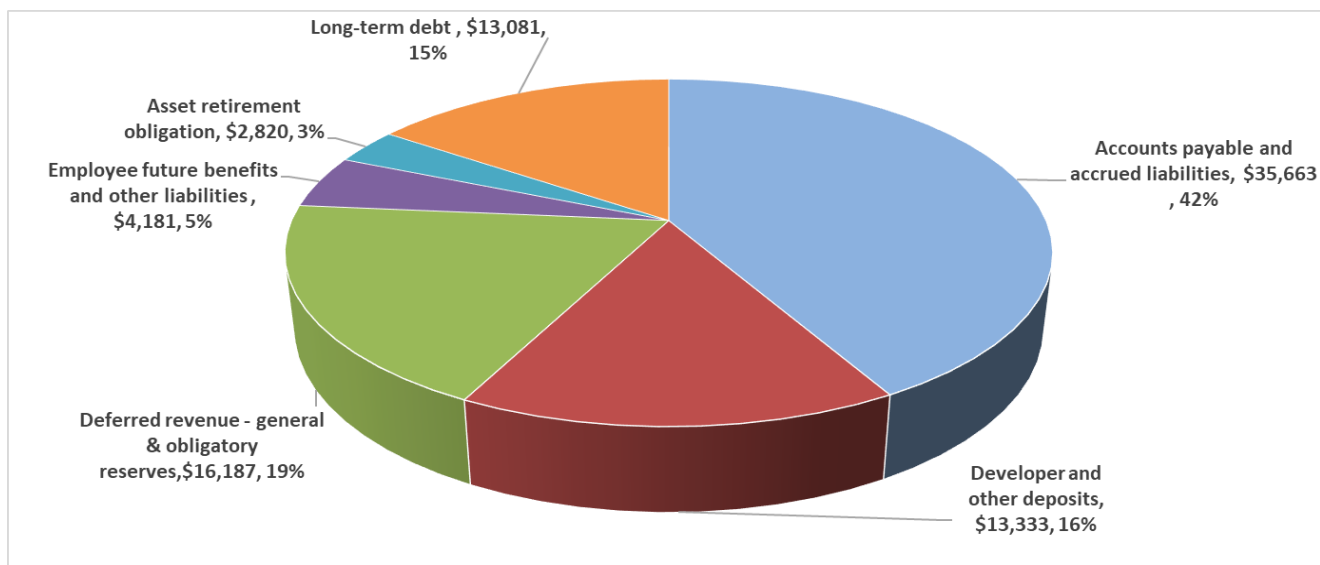


Table 3:

For the year ended December 31, 2024		
Where the funding comes from (Revenues)	\$000's	%
Taxation	\$ 39,193	37%
User fees	8,255	8%
Water and wastewater user charges	12,093	12%
Government grants	13,805	13%
Contributions from developers	11,224	11%
Investment income	3,263	3%
Penalties and interest	1,666	2%
Gain (Loss) on sale of land and tangible capital assets	5,209	5%
Other (Including Donations, Lease revenue)	8,908	9%
<b>Total</b>	<b>\$ 103,616</b>	<b>100%</b>

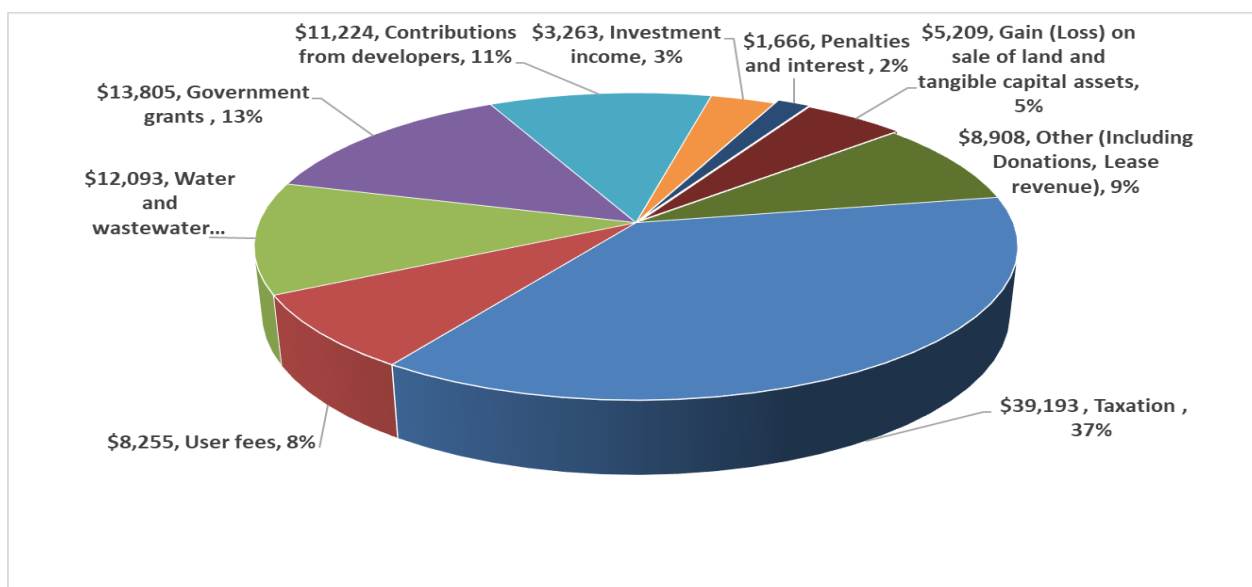
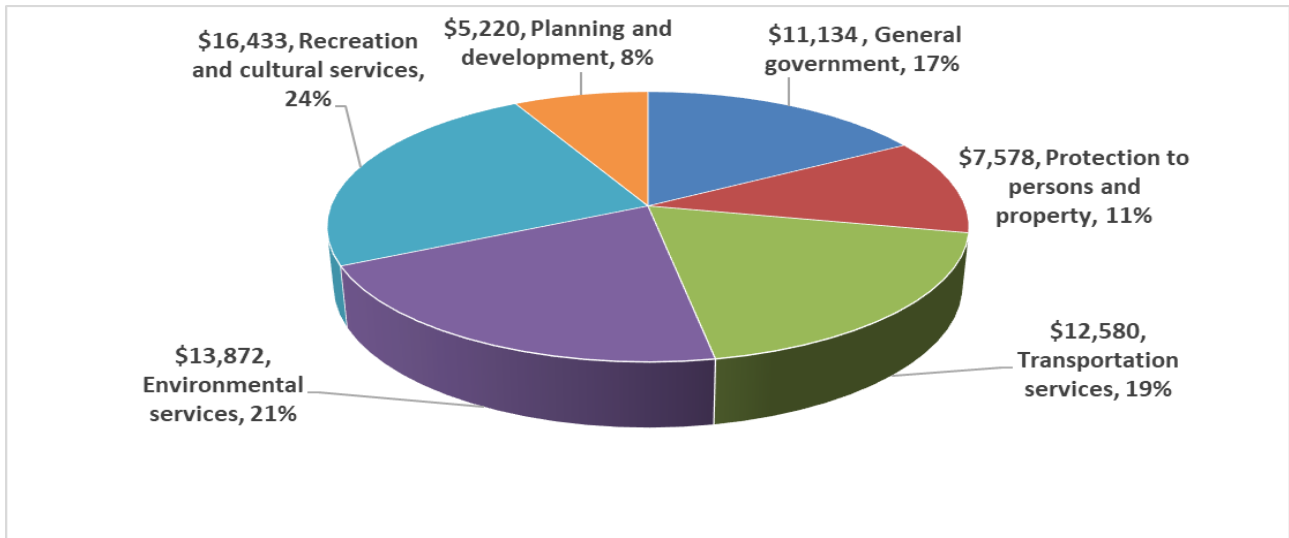


Table 4:

For the year ended December 31, 2024		
What the funding was used for (Expenses)	\$000's	%
General government	\$ 11,134	17%
Protection to persons and property	7,578	11%
Transportation services	12,580	19%
Environmental services	13,872	21%
Recreation and cultural services	16,433	24%
Planning and development	5,220	8%
<b>Total</b>	<b>\$ 66,817</b>	<b>100%</b>



## 6. Alignment to Strategic Plan

The 2023-2026 Corporate Strategic Plan (CSP) was adopted by Council on June 12, 2023. The CSP reflects the priorities of upmost importance to the community and defines the obligations and commitments of the Township of King to its citizens and to the public. The CSP is aligned with the Townships long-term vision defined in the “Our King” Official Plan. The CSP also aims to ensure that staff initiatives focus on and work towards supporting King’s Vision, Mission and Values.

This report is in alignment with the CSP’s Priority Area(s), and/or associated Objective(s) and/or Key Results(s):

Priority Area: Sustainable Asset Management

Objective: Develop asset-funding strategies that ensure long-term fiscal sustainability.

Key Result: Not Applicable.

## 7. Conclusion

This report recognizes the completion of the 2024 audit and provides a detailed report on the 2024 Consolidated Audited Financial Statements as part of Appendix A and the Draft 2024 Audited Statements as of December 31, 2024.

## 8. Attachments

Appendix A: Management Discussion and Analysis for the year ended December 31, 2024

Appendix B: Consolidated 2024 Financial Statements for the year ended December 31, 2024

Prepared & recommended by:

**Peggy Tollett**

Director of Finance / Treasurer

Approved for submission by:

**Daniel Kostopoulos**

Chief Administrative Officer