

Town of Fort Frances
Child Care Department
For the year ended December 31, 2017

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BDO Canada LLP
607 Portage Avenue
Fort Frances ON P9A 0A7 Canada

Independent Auditor's Report on Statement of Revenue and Expenses

To the Council of the
Town of Fort Frances

We have audited the accompanying Statement of Revenue and Expenses for the Town of Fort Frances - Child Care Department for the year ended December 31, 2017, and notes, comprising the significant accounting policy and other explanatory information. The Statement of Revenue and Expenses has been prepared by management based on the basis of accounting described in the significant accounting policy attached to the Statement of Revenue and Expenses.

Management's Responsibility for the Statement

Management is responsible for the preparation of the Statement of Revenue and Expenses in accordance with the basis of accounting described in the significant accounting policy attached to the Statement, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Statement of Revenue and Expenses based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the Statement 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Statement.

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

Opinion

In our opinion, the financial information in the Statement of Revenue and Expenses for the Town of Fort Frances - Child Care Department for the year ended December 31, 2017, is prepared, in all material respects, in accordance with the basis of accounting described in the significant accounting policy attached to the Statement of Revenue and Expenses.

Basis of Accounting

Without modifying our opinion, we draw attention to the significant accounting policy attached to the Statement of Revenue and Expenses (Note 1) which describes the basis of accounting. The Statement of Revenue and Expenses is prepared to assist the Town of Fort Frances to meet the requirements of the Rainy River District Social Services Administration Board. As a result, the financial information may not be suitable for another purpose.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Fort Frances, Ontario
April 25, 2018

Town of Fort Frances Child Care Department Statement of Revenue and Expenses

For the year ended December 31

2017

Revenue

Government transfers - operating - Fort Frances Children's Complex	
- Core service delivery (Note 2)	\$ 545,791
- Fee subsidy (Note 2)	300,816
- Provincial wage enhancement (Note 2)	43,146
- Best start hub (Note 2)	106,687
- Day care resource teacher (Note 2)	102,297
	<u>1,098,737</u>
User fees	407,992
Other revenue	<u>9,370</u>
Total revenue	<u>1,516,099</u>

Operating Expenses

Fort Frances Children's Complex	
Advertising	548
Audit	2,805
Accounting and bookkeeping	30,300
Buildings and yard - rental costs and utilities	52,339
Buildings and yard - other	6,288
Training and development	7,878
Equipment and leases	1,954
Events and activities	5,573
Food and meals	76,447
Insurance	1,867
Office supplies and expenses	4,726
Telephone and internet	2,335
Repairs and maintenance	13,699
Teaching supplies	17,328
Memberships, licenses and extended school purchases	2,320
Salaries, wages and benefits	1,096,919
Vehicle expenses	587
	<u>\$ 1,323,913</u>

**Town of Fort Frances
Child Care Department
Statement of Revenue and Expenses
(Continued)**

For the year ended December 31 **2017**

Operating Expenses (continued)

Carried forward **\$ 1,323,913**

Best Start Hub	
Advertising	152
Accounting and bookkeeping	3,550
Buildings and yard	4,499
Events and activities	1,502
Food and meals	1,457
Insurance	230
Office supplies and expenses	803
Telephone and internet	707
Repairs and maintenance	196
Teaching supplies	2,325
Salaries, wages and benefits	96,048
Vehicle expenses	246

111,715

Day Care Resource Teacher	
Accounting and bookkeeping	2,550
Training and development	3,681
Office supplies and expenses	143
Telephone and internet	1,212
Teaching supplies	2,552
Memberships and licenses	240
Salaries, wages and benefits	103,073

113,451

Total operating expenses **1,549,079**

**Capital expenses capitalized for Town of Fort
Frances accounting purposes**
 Fort Frances Children's Complex

69,560

Total department expenses **1,618,639**

Deficiency of revenue over expenses **\$ (102,540)**

**Town of Fort Frances
Child Care Department
Notes to Statement of Revenue and Expenses**

December 31, 2017

2. Schedule of Government Transfers

	Core service delivery	Fee subsidy	Provincial wage enhancement	Best start hub	Day care resource teacher
Base funding	\$ 545,791 \$	300,816 \$	45,516 \$	104,212 \$	102,297
Other funding	-	-	-	2,475	-
Estimated recovery	-	-	(2,370)	-	-
Revenue reported on the statement of revenue and expenses	\$ 545,791 \$	300,816 \$	43,146 \$	106,687 \$	102,297



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April 26, 2018

Town of Fort Frances
320 Portage Avenue
Fort Frances ON P9A 3P9

Attention: Ms. Laurie Lindberg

Invoice **89362969**

Electronic Banking Account No. 151360322599

HST Registration No. 131585366RT0043

For Professional Services

Preparing and auditing the Statement of Revenue and Expenses for the Town of Fort Frances - Child Care Department for the year ended December 31, 2017, as required by the Rainy River District Social Services Board.

\$2,700.00

Administration, technology and disbursement fee:

162.00

Our Fee \$2,862.00

HST 372.06

Total \$3,234.06

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