The Corporation of Norfolk County

Trust Funds - Financial Statements

December 31, 2025

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of Norfolk County:

Qualified Opinion

We have audited the financial statements of the trust funds of The Corporation of Norfolk County (the County), which comprise of the balance sheet as at December 31, 2025, and the statement of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the financial statements).

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the balance sheet of the The Corporation of Norfolk County's Trust Funds as at December 31, 2025, and statement of continuity for the year then ended, in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Corporation of Norfolk County's trust funds derives revenue from sale of plots and markers and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of The Corporation of Norfolk County's trust funds. Our audit opinion on the financial statements for the year ended December 31, 2024, was modified because of the effects of this departure from Canadian public sector accounting standards.

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 County 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 qualified audit 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 County'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 County or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditors' Report to the Members of Council, Inhabitants and Ratepayers of The Corporation of Norfolk County *(continued)*

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 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.
- 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 County’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 County’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 County 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.

Millard, Rouse & Rosebrugh LLP

Millard, Rouse & Rosebrugh LLP
Chartered Professional Accountants
Licensed Public Accountants

July 14, 2026
Simcoe, Ontario

The Corporation of Norfolk County

Balance Sheet - Trust Funds

As at December 31, 2025

	Combined Cemetery Perpetual Care	Audrey Hellyer Trust	Mable Cattle Trust	External Cemetery Board Pepetual Care	W.P. Innes Trust	Arthur Mather Trust	Norview Residents Trust	Museum Trust	DeCloet Forest Trust	Courtland Firefighter Trust	Total 2025	Total 2024
	$	$	$	$	$	$	$	$	$	$	$	$
NET ASSETS												
Cash	145,274	17,888	-	14,002	617	535	36,212	-	-	-	**214,528**	1,808,889
Investments (Note 2)	2,145,000	-	-	166,000	38,000	51,000	-	-	-	-	**2,400,000**	178,271
Accrued interest	46,973	41	-	3,643	819	1,099	-	-	-	-	**52,575**	8,145
Due from (to) Norfolk County	(237,184)	(10)	844	(18,759)	(1,436)	(1,634)	12,119	10,000	100,245	191,216	**55,401**	36,313
Accounts payable	(2,106)	-	-	(6,466)	-	-	-	-	-	-	**(8,572)**	(10,826)
TOTAL NET ASSETS	2,097,957	17,919	844	158,420	38,000	51,000	48,331	10,000	100,245	191,216	**2,713,932**	2,020,792
TRUST FUND BALANCE	2,097,957	17,919	844	158,420	38,000	51,000	48,331	10,000	100,245	191,216	**2,713,932**	2,020,792

See accompanying notes to the financial statements

Norfolk COUNTY

The Corporation of Norfolk County

Statement of Continuity - Trust Funds

Year Ended December 31, 2025

	Combined Cemetery Perpetual Care	Audrey Hellyer Trust	Mable Cattle Trust	External Cemetery Board Perpetual Care	W.P. Innes Trust	Arthur Mather Trust	Norview Residents Trust	Museum Trust	DeCloet Forest Trust	Courtland Firefighter Trust	Total 2025	Total 2024
	$	$	$	$	$	$	$	$	$	$	$	$
RECEIPTS												
Sale of plots and markers	56,590	-	-	2,340	-	-	-	-	-	-	**58,930**	54,301
Donations	550	-	-	-	-	-	-	-	100,000	-	**100,550**	470
Investment income	86,402	553	-	6,466	1,206	1,609	-	-	245	6,295	**102,776**	91,675
Resident contributions	-	-	-	-	-	-	280,040	-	-	-	**280,040**	254,246
	143,542	553	-	8,806	1,206	1,609	280,040	-	100,245	6,295	**542,296**	400,692
Disbursements												
Transfer to Norfolk County	84,295	-	-	-	-	-	-	-	-	-	**84,295**	68,589
Transfer to cemetery boards	2,106	-	-	6,466	-	-	-	-	-	-	**8,572**	10,826
Resident withdraws	-	-	-	-	-	-	288,182	-	-	-	**288,182**	249,606
Transfer to others	-	-	-	-	1,206	1,609	-	-	-	-	**2,815**	2,446
	86,401	-	-	6,466	1,206	1,609	288,182	-	-	-	**383,864**	331,467
NET RECEIPTS FOR THE YEAR	57,141	553	-	2,340	-	-	(8,142)	-	100,245	6,295	**158,432**	69,225
Trust fund balance - beginning of year	1,506,108	17,366	844	156,080	38,000	51,000	56,473	10,000	-	184,921	**2,020,792**	1,951,567
Transfer from external cemetery boards (Note 4)	534,708	-	-	-	-	-	-	-	-	-	**534,708**	-
TRUST FUND BALANCE - END OF YEAR	2,097,957	17,919	844	158,420	38,000	51,000	48,331	10,000	100,245	191,216	**2,713,932**	2,020,792

See accompanying notes to the financial statements

Norfolk COUNTY

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Corporation of Norfolk County Trust Funds (Trust Funds) consist of various trust funds administered by the Corporation of Norfolk County (the Corporation) as well as those within organizations that are accountable to the Corporation.

The Trust Funds are not subject to income taxes under Section 149 (1) of the Income Tax Act (Canada). The significant accounting policies are summarized below.

Basis of presentation

The financial statements of the Trust Funds of the Corporation of Norfolk County are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

Revenue recognition

Sale of plots and markers, donations, and resident contributions are recognized as income when earned under the respective contracts, provided the amount is measurable and collection is reasonably assured. Investment income is recognized as it is earned.

Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period.

Actual results could differ from management's best estimates as additional information becomes available in the future.

2. INVESTMENTS

The investments are recorded at amortized cost, less any amounts written off to reflect a permanent decline in value, consistent with the Trust Funds' accounting policies for investments. Interest income is recognized as earned based on the stated coupon rate. Investments are comprised of the following:

	2025	2024
Structured note (4.03%, callable)	**$ 2,400,000**	$ -
Government bonds and GICs	**-**	178,271
	$ 2,400,000	$ 178,271

The Trust Funds hold a structured investment note issued by a Canadian financial institution with a face value of $2,400,000. The investment provides annual fixed coupon payments of 4.03% and includes 100% principal protection at maturity. The note has a contractual term of up to seven years (maturing June 2032); however, it is callable at the option of the issuer beginning after the second year, which results in uncertainty regarding the ultimate term of the investment.

3. STATEMENT OF CASH FLOW

A statement of cash flow has not been provided as the information is readily available in the financial statements provided.

4. TRANSFER FROM EXTERNAL CEMETERY BOARDS

During the year, two additional rural cemetery boards perpetual care and maintenance trust funds were transferred to Norfolk County in trust and added to the Combined Cemetery Perpetual Care Trust Fund. A cash transfer of $534,708 was received during the year pertaining to these trust funds, and has been reflected through a direct increase to net assets.