



**July 2, 2013**

## **City Council Committee Report**

**To: Mayor Canfield and Members of Council**

**Fr: Charlotte Edie, Treasurer**

**Re: 2012 Annual Report and Audited Financial Statements**

### **Recommendation:**

That Council here by approves the 2012 City of Kenora Annual Report, including the 2012 audited financial statements for the City; and further

That a copy of this report be made available for public viewing on the City's portal, as well as the front desk at City Hall.

### **Background:**

A copy of the Annual Report and audited financial statements is attached to this report for your reference. The report is incomplete in that the Auditors' Report will not be signed until Council has formally approved the financial statements.

In 2009 there was a significant change to the City's financial statements from previous years, due to the new requirement to record Tangible Capital Assets and related amortization, with capital works no longer being expensed as performed. Under this new requirement, the City is required to record the value of all tangible assets net of amortization. As a result of this, the City's financial statements reflect a significant surplus due to the net result of the Tangible Capital Asset implementation. It should be noted that this surplus is comprised of all the accumulated surpluses and deficits of the funds, reserves and organizations that are included in the statements as well as the current amortized value of all City owned assets.

### **Budget:**

There is no expected budget impact as a result of this report.

### **Communication Plan/Notice By-law Requirements:**

A press release will be prepared for the annual report and statements. This press release will be distributed to Council. The annual report will be made available on the city's portal, as well as at the front desk at City Hall. In accordance with the City's requirements under the Municipal Act, extracts of the audited financial statements will also be printed in the local newspaper.