

Financial Statements of

**THE CITY OF GREATER SUDBURY
COMMUNITY DEVELOPMENT
CORPORATION**

And Independent Auditor's Report thereon

Year ended December 31, 2024



KPMG LLP
Times Square
1760 Regent Street, Unit 4
Sudbury, ON P3E 3Z8
Canada
Telephone 705 675 8500
Fax 705 675 7586

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The City of Greater Sudbury Community Development Corporation

Opinion

We have audited the financial statements of The City of Greater Sudbury Community Development Corporation (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Entity as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Statements***" section of our report.

We are independent of the Entity 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 these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 accounting standards for not-for-profit organizations, 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 the 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 Entity's internal control.



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- 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 Entity'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 Entity 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 represents the underlying transactions and events in a manner that achieves fair presentation.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

July 17, 2025

THE CITY OF GREATER SUDBURY COMMUNITY
DEVELOPMENT CORPORATION

Statement of Financial Position

December 31, 2024, with comparative information for 2023

	Grants		Municipal Accommodation Tax		2024 Total		2023 Total	
Assets								
Accounts receivable - grants (note 3)	\$	1,952,922	\$	2,343,887	\$	4,296,809	\$	5,419,949
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Fund Balances

Fund balances	\$	1,952,922	\$	2,343,887	\$	4,296,809	\$	5,419,949
Commitments (note 4)								
	\$	1,952,922	\$	2,343,887	\$	4,296,809	\$	5,419,949

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Statement of Operations

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Revenue:		
City of Greater Sudbury:		
Economic Development Grant	\$ 1,000,000	\$ 1,000,000
Arts and Culture Operating Grant	509,138	499,155
Arts and Culture Projects Grant	90,047	88,281
Municipal Accommodation Tax	1,489,135	1,312,769
	<u>3,088,320</u>	<u>2,900,205</u>
Expenses:		
Grants	3,699,354	2,467,790
Municipal Accommodation Tax	512,106	655,156
	<u>4,211,460</u>	<u>3,122,946</u>
Annual deficit	\$ (1,123,140)	\$ (222,741)

See accompanying notes to financial statements.

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Statement of Changes in Fund Balances

Year ended December 31, 2024, with comparative information for 2023

		Grants		Municipal Accommodation Tax		2024 Total		2023 Total
Balance, beginning of year	\$	2,237,564	\$	3,182,385	\$	5,419,949	\$	5,642,690
Annual deficit		(284,642)		(838,498)		(1,123,140)		(222,741)
Balance, end of year	\$	1,952,922	\$	2,343,887	\$	4,296,809	\$	5,419,949

See accompanying notes to financial statements.

**THE CITY OF GREATER SUDBURY COMMUNITY
DEVELOPMENT CORPORATION**

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Annual deficit	\$ (1,123,140)	\$ (222,741)
Change in non-cash working capital items:		
Increase in accounts receivable	1,123,140	222,741
Increase in cash during the year	-	-
Cash, beginning of year	-	-
Cash, end of year	\$ -	\$ -

See accompanying notes to financial statements.

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Notes to Financial Statements

Year ended December 31, 2024

The City of Greater Sudbury Community Development Corporation (the "Corporation") is principally involved in the promotion of community economic development in the City of Greater Sudbury with the participation of the community by encouraging, facilitating and supporting community strategic planning and increasing self-reliance, investment and job creation within the community. The Corporation was incorporated without share capital on January 3, 2001 under the laws of the Province of Ontario.

1. Basis of presentation:

These financial statements were prepared by management in accordance with Canadian generally accepted accounting principles, Part III Not-for-Profit Organizations, as established by the Chartered Professional Accountants of Canada.

2. Significant accounting policies:

(a) Fund accounting:

The Corporation uses fund accounting procedures which uses a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in these financial statements. The Corporation maintains the following funds:

The Grants Fund reports grant contributions earned and provides economic development funding to organizations in Greater Sudbury.

The Municipal Accommodation Tax Fund reports the municipal accommodation tax revenues earned and provides support towards the growth of the tourism industry in Greater Sudbury.

(b) Revenue recognition:

The Corporation follows the deferral method of accounting for contributions that are not a component of designated funds, which comprise grants and municipal accommodation tax from the City of Greater Sudbury.

(c) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of capital assets and provisions for impairment of accounts receivable. Actual results could differ from those estimates.

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Notes to Financial Statements

Year ended December 31, 2024

2. Significant accounting policies (continued):

(d) Financial instruments:

Financial assets and liabilities are initially recorded at fair value with their subsequent measurement being amortized cost. Transaction costs incurred on the acquisition of financial instruments measured subsequently at amortized cost are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Corporation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Corporation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

3. Accounts receivable:

Accounts receivable of \$4,296,809 (2023 - \$5,419,949) is due from the City of Greater Sudbury. This amount is unsecured, non-interest bearing and has no specified terms of repayment.

4. Commitments:

The Corporation has approved grants to various organizations. At year end, \$1,687,659 (2023 - \$2,207,987) of grants have been approved but were not distributed. These grants have not been accrued as the required performance obligations associated with the grants have not been fulfilled at year-end.

The Corporation has committed future grants to various initiatives. As of fiscal year-end, the following amount has been approved to be distributed.

2025	\$ 200,000
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