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Financial statements of  
Greater Moncton Wastewater  
Commission

December 31, 2020

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## Independent Auditor's Report

To the Management of  
The Greater Moncton Wastewater Commission

### Opinion

We have audited the schedule of federal and provincial capital expenditure claim submissions of the Greater Moncton Wastewater Commission (the "Commission") as at December 31, 2020, including a summary of significant accounting policies (collectively referred to as the "Schedule").

In our opinion, the financial information in the Schedule of the Commission is prepared, in all material respects, in accordance with the basis of accounting described in Note 1.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statement 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.

### Emphasis of Matter – Basis of Accounting and Restriction on Use

We draw attention to Note 1 to the Schedule, which describes the basis of accounting. The Schedule is prepared to assist the Commission to meet the requirements of the contribution agreements with the Regional Development Corporation and Infrastructure Canada. As a result, the Schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### Responsibilities of Management and Those Charged with Governance for the Schedule

Management is responsible for the preparation of the Schedule in accordance with Note 1, and for such internal control as management determines is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, management is responsible for assessing the Commission'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 Commission or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Schedule**

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is 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 GAAS 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 this financial statement.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, 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 Company'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 statement 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents 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.

*Deloitte LLP*

Chartered Professional Accountants  
February 18, 2021

**Greater Moncton Wastewater Commission**  
**Schedule of federal and provincial capital expenditure claim submissions**  
Year ended December 31, 2020

<b>Claim #</b>	<b>Date Claimed</b>	<b>Period Covered</b>	<b>Total claimed eligible costs</b>	<b>Provincial claim</b>	<b>Provincial total project</b>	<b>Federal claim</b>	<b>Federal total project</b>	<b>Total claim</b>
			\$	\$	12,258,160	\$	8,825,775	\$
<b>Claim balance beginning</b>								
2020-33	January 31, 2020	Jan 1-31 2020	2,014,602	503,648	11,754,512	670,402	8,155,373	1,174,050
2020-34	February 26, 2020	Feb 1-29 2020	2,972,039	743,007	11,011,505	991,675	7,163,698	1,734,682
2020-35	March 17, 2020	Mar 1-14 2020	692,455	173,113	10,838,392	230,818	6,932,880	403,931
2020-36	April 30, 2020	Mar 15, 2020 to Apr 30, 2020	1,232,621	308,153	10,530,239	410,874	6,522,006	719,027
2020-37	May 28, 2020	May 1-31 2020	1,609,818	402,452	10,127,787	536,575	5,985,431	939,027
2020-38	June 30, 2020	Jun 1-30 2020	1,589,952	397,486	9,730,301	529,984	5,455,447	927,470
2020-39	July 30, 2020	Jul 1-31 2020	2,021,371	505,340	9,224,961	673,790	4,781,657	1,179,130
2020-40	September 1, 2020	Aug 1-31 2020	1,860,453	465,111	8,759,850	620,714	4,160,943	1,085,825
2020-41	September 28, 2020	Sep 1-30 2020	2,506,779	627,642	8,132,208	836,860	3,324,083	1,464,502
2020-42	October 29, 2020	Oct 1-31 2020	1,690,981	422,743	7,709,465	563,660	2,760,422	986,403
2020-43	November 29, 2020	Nov 1-30 2020	3,331,568	832,888	6,876,577	1,110,523	1,649,900	1,943,411
2020-44	December 30, 2020	Dec 1-31 2020	2,018,459	504,614	6,371,963	672,820	977,080	1,177,434
<b>Claim balance ending</b>					6,371,963		977,080	
			<b>23,541,097</b>	<b>5,886,197</b>		<b>7,848,695</b>		<b>13,734,892</b>

The accompanying note to the schedule are an integral part of this schedule.

# **Greater Moncton Wastewater Commission**

## **Notes to the schedule**

December 31, 2020

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### **1. Basis of accounting**

The schedule of the Commission is prepared in accordance with the requirements as presented in article 9(b) of the contribution agreements of the Regional Development Corporation ("RDC") and Infrastructure Canada ("IC").