



CHARTERED PROFESSIONAL ACCOUNTANTS

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April 1, 2025

Mid-Huron Landfill Site Board  
RR 2 37506 Huron Road  
Clinton ON N0M 1L0

Dear Board of Directors:

The purpose of this letter is to outline the terms of our engagement to audit the financial statements of Mid-Huron Landfill Site Board, which comprise the statement of financial position as at December 31, 2025, and the operations and changes in surplus and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

**Objective, Scope and Limitations**

Our statutory function as auditor of Mid-Huron Landfill Site Board is to report to the members by expressing an opinion on Mid-Huron Landfill Site Board's annual financial statements. We will conduct our audit in accordance with Canadian auditing standards and will issue an audit report.

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to error or fraud.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. 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 financial statements.

It is important to recognize that an auditor cannot obtain absolute assurance that material misstatements in the financial statements will be detected because of:

- a) Factors such as use of judgment, and the use of testing of the data underlying the financial statements;
- b) Inherent limitations of internal control; and
- c) The fact that much of the audit evidence available to the auditor is persuasive rather than conclusive in nature.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected (particularly intentional misstatements concealed through collusion), even though the audit is properly planned and performed in accordance with Canadian auditing standards.

In making our risk assessments, we consider internal control relevant to the entity's preparation of the financial statements 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. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial statements that we have identified during the audit.

Unless unanticipated difficulties are encountered, my report will be substantially in the following form:

## **INDEPENDENT AUDITORS' REPORT**

To the Board Members, Members of Council, Inhabitants  
and Ratepayers of the participating Municipalities as listed  
in Note 2 to the Financial Statements

Report on the Audit of the Financial Statements

### ***Opinion***

We have audited the financial statements of Mid-Huron Landfill Site Board, which comprise the statement of financial position as at December 31, 2025 and December 31, 2024, and the statements of operations, changes in net debt and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Mid-Huron Landfill Site Board as at December 31, 2025 and December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian 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 Mid-Huron Landfill Site Board 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 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 Mid-Huron Landfill Site Board'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 Mid-Huron Landfill Site Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Mid-Huron Landfill Site Board's financial reporting process.

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### ***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 Auditors' 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 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 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 Mid-Huron Landfill Site Board'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 Mid-Huron Landfill Site Board'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 Auditors' Report. However, future events or conditions may cause the Mid-Huron Landfill Site Board 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Goderich, Ontario  
Date

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Any specific restrictions on the use or intended users of the auditor's report, and statement(s) (if appropriate) about the specific restriction(s) will be set out in the auditor's report.

If our opinion on the financial statements is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form, or have not formed, an opinion, we may decline to express an opinion as a result of this engagement.

### **Our Responsibilities**

We will perform the audit in accordance with Canadian auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows in accordance with Canadian auditing standards. Accordingly, we will plan and perform our audit to provide reasonable, but not absolute, assurance of detecting fraud and errors that have a material effect on the financial statements taken as a whole, including illegal acts whose consequences have a material effect on the financial statements.

One of the underlying principles of the profession is a duty of confidentiality with respect to client affairs. Accordingly, except for information that is in, or enters, the public domain, we will not provide any third party with confidential information concerning the affairs of Mid-Huron Landfill Site Board without Mid-Huron Landfill Site Board's prior consent, unless required to do so by legal authority, or the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

The objective of our audit is to obtain reasonable assurance that the financial statements are free of material misstatement. However, if we identify any of the following matters, they will be communicated to the appropriate level of management:

- a) Misstatements, resulting from error, other than trivial errors;
- b) Fraud or any information obtained that indicates that a fraud may exist;
- c) Any evidence obtained that indicates that an illegal or possibly illegal act, other than one considered inconsequential, has occurred;
- d) Significant deficiencies in the design or implementation of internal controls to prevent and detect fraud or error; and
- e) Related-party transactions identified by us that are not in the normal course of operations and that involve significant judgments made by management concerning measurement or disclosure.

The matters communicated will be those that we identify during the course of our audit. Audits do not usually identify all matters that may be of interest to management and those charged with governance in discharging their responsibilities. The type and significance of the matter to be communicated will determine the level of management to which the communication is directed.

We will consider Mid-Huron Landfill Site Board's internal control to identify types of potential misstatements, consider factors that affect the risks of material misstatement, and design the nature, timing and extent of further audit procedures. This consideration will not be sufficient to enable us to render an opinion on the effectiveness of internal control over financial reporting.

### **Use and Distribution of our Report**

The examination of the financial statements and the issuance of our audit opinion are solely for the use of Mid-Huron Landfill Site Board and those to whom our report is specifically addressed by us. We make no representations of any kind to any other third party in respect of these financial statements and we accept no responsibility for their use by any third party.

**RF BURT**  
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## **Management's Responsibilities**

Management is responsible for:

### **Financial Statements**

- a) The preparation and fair presentation of Mid-Huron Landfill Site Board's financial statements in accordance with Canadian public sector accounting standards.

### **Completeness of Information**

- a) Providing us with and making available complete financial records and related data, and copies of all minutes of meetings of shareholders, directors and committees of directors and other matters;
- b) Providing us with information relating to any known or probable instances of non-compliance with legislative or regulatory requirements, including financial reporting requirements;
- c) Providing us with information relating to any illegal or possibly illegal acts, and all facts related thereto; d) Providing us with information regarding all related parties and related-party transactions;
- e) Any additional information that we may request from management for the purpose of this audit; and
- f) Providing us with unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

### **Fraud and Error**

- a) Internal control that management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- b) An assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- c) Providing us with information relating to fraud or suspected fraud affecting the entity involving:
  - i) Management,
  - ii) Employees who have significant roles in internal control, or
  - iii) Others, where the fraud could have a non-trivial effect on the financial statements;
- d) Providing us with information relating to any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others; and
- e) Communicating its belief that the effects of any uncorrected financial statement misstatements aggregated during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

### **Recognition, Measurement and Disclosure**

- a) Providing us with its assessment of the reasonableness of significant assumptions underlying fair value measurements and disclosures in the financial statements;
- b) Providing us with any plans or intentions that may affect the carrying value or classification of assets or liabilities;
- c) Providing us with an assessment of all areas of measurement uncertainty known to management;
- d) Providing us with information relating to claims and possible claims, whether or not they have been discussed with Mid-Huron Landfill Site Board's legal counsel;
- e) Providing us with information relating to other liabilities and contingent gains or losses, including those associated with guarantees, whether written or oral, under which Mid-Huron Landfill Site Board is contingently liable;
- f) Providing us with information relating to compliance with aspects of contractual agreements that may affect the financial statements;
- g) Providing us with information concerning subsequent events; and
- h) Providing us with representations on specific matters communicated to us during the engagement.

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**Written Confirmation of Significant Representations**

- a) Providing us with written confirmation of significant representations provided to us during the engagement on matters that are:
- i) Directly related to items that are material, either individually or in the aggregate, to the financial statements,
  - ii) Not directly related to items that are material to the financial statements but are significant, either individually or in the aggregate, to the engagement, and
  - iii) Relevant to your judgments or estimates that are material, either individually or in the aggregate, to the financial statements.

We ask that our name be used only with our consent and that any information to which we have attached a communication be issued with that communication unless otherwise agreed to by us.

**Reproduction of Audit Report**

If reproduction or publication of our audit report (or reference to our report) is planned in an annual report or other document, including electronic filings or posting of the report on a website, a copy of the entire document should be submitted to us in sufficient time for our review before the publication or posting process begins.

Management is responsible for the accurate reproduction of the financial statements, the auditor's report and other related information contained in an annual report or other public document (electronic or paper-based). This includes any incorporation by reference to either the full or summarized financial statements that we have audited.

We are not required to read the information contained in your website, or to consider the consistency of other information in the electronic site with the original document.

**Preparation of Schedules**

We understand that your employees will prepare the following schedules and will locate the following documents for our use at the dates specified:

- a) Prepare various schedules and analyses before our engagement is planned to commence
- b) Make various invoices and other documents available to our staff.

This assistance will facilitate our work and will help to minimize our costs. Any failure to provide these working papers or documents on a timely basis may impede our services and require us to suspend our services or withdraw from the engagement

**Working Papers**

The working papers, files, other materials, reports and work created, developed or performed by us during the course of the engagement are the property of our Firm, constitute confidential information and will be retained by us in accordance with our Firm's policies and procedures.

**File Inspections**

In accordance with professional regulations (and by our Firm's policy), our client files may periodically be reviewed by practice inspectors, and by other file quality reviewers to ensure that we are adhering to professional and our Firm's standards. File reviewers are required to maintain the confidentiality of client information.

**Indemnity**

Mid-Huron Landfill Site Board hereby agrees to indemnify, defend (by counsel retained and instructed by us), and hold harmless our Firm and its partners, agents or employees, from and against any and all losses, costs (including solicitors' fees), damages, expenses, claims, demands or liabilities arising out of or in consequence of:

- a) The breach by Mid-Huron Landfill Site Board, or its directors, officers, agents, or employees, of any of the covenants made by Mid-Huron Landfill Site Board herein, including, without restricting the generality of the foregoing, the misuse of, or the unauthorized dissemination of, our engagement report or the financial statements in reference to which the engagement report is issued, or any other work product made available to you by our Firm; and
- b) The services performed by us pursuant to this engagement, unless, and to the extent that, such losses, costs, damages and expenses are found by a court of competent jurisdiction to have been due to the negligence of our Firm. In the event that the matter is settled out of court, we will mutually agree on the extent of the indemnification to be provided by your company.

We will use all reasonable efforts to complete the engagement as described in this letter within the agreed upon time frames. However, we shall not be liable for failures or delays in performance that arise from causes beyond our control, including the untimely performance by Mid-Huron Landfill Site Board of its obligations.

**Fees at Regular Billing Rates**

Our professional fees will be based on our regular billing rates plus direct out-of-pocket expenses and applicable HST and are due when rendered. Fees for any additional services will be established separately.

If significant additional time is necessary, we will discuss the reasons with you and agree on a revised fee estimate before we incur the additional costs.

**Other Services**

In addition to the audit services referred to above, we will, as allowed by the Code of Professional Conduct of the Chartered Professional Accountants of Ontario, prepare your federal and provincial income tax returns and other special reports as required. Management will provide the information necessary to complete these returns/reports and will file them with the appropriate authorities on a timely basis.

If you have any questions about the contents of this letter, please raise them with us. If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please sign the copy of this letter in the space provided and return it to us.

We appreciate the opportunity of continuing to be of service to your company.

Yours very truly,



Ronald F. Burt, CPA  
Partner

Acknowledged and agreed on behalf of Mid-Huron Landfill Site Board by:

Signed \_\_\_\_\_ Date \_\_\_\_\_