



SECTION: Financial Statements

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O. Reg. 909 s. 76 and s. 80

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Is an auditor's report respecting the financial statements required in the following circumstance: the plan fund has over \$3,000,000 in assets calculated at market value, but included in these assets are deposit administration general funds contracts. If these contracts were excluded from assets there would be less than \$3,000,000 in assets in the plan fund?

No, there would be no auditor's report requirement until the market value of assets exceeded \$3,000,000, excluding the deposit administration general fund contracts.

However, it should be noted that section 80 under Regulation 909 allows an exemption for deposit administration contracts only if the contract is a general funds contract. Therefore, a deposit administration contract in segregated funds would not be exempt and would be included in assets. As a result, in this example, the financial statements would have been subject to audit. (Reference, section 76(2) and section 80 of Regulation 909, as amended.)