

## AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of  
The Corporation of the Township of North Dundas

We have audited the consolidated statement of financial position of The Corporation of the Township of North Dundas as at December 31, 2002, and the consolidated statements of financial activities and changes in financial position for the year then ended. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of North Dundas as at December 31, 2002 and the results of its operations and changes in its financial position for the year then ended, in accordance with Canadian generally accepted accounting principles.

*Craig Keen Despatie Markell LLP*

March 21, 2003  
Cornwall, Ontario

*Chartered Accountants*