

Year-End Rent Statement

**TRADEPORT  
INTERNATIONAL  
CORPORATION**

For the twelve months ended December 31, 2020



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## **INDEPENDENT AUDITORS' REPORT**

To the Directors of TradePort International Corporation

### ***Opinion***

We have audited the accompanying Year-end Rent Statement of TradePort International Corporation (the "Company") for the twelve month period ended December 31, 2020, and notes, comprising a summary of significant accounting policies and other explanatory information (Hereinafter referred to as the "rent statement").

In our opinion, the accompanying rent statement for the twelve month period ended December 31, 2020 of the Company is prepared, in all material respects, in accordance with the financial reporting provisions of Article 4 of the lease agreement dated July 19, 1996 between the Company and the City of Hamilton.

### ***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 "***Auditors' Responsibilities for the Audit of the Rent Statement***" section of our auditors' report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the rent 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 – Financial Reporting Framework***

We draw attention to Note 1 in the rent statement, which describes the applicable financial reporting framework.

The rent statement is prepared to assist the Company to meet the requirements of the financial reporting provisions of Article 4 of the lease agreement dated July 19, 1996 between the Company and the City of Hamilton. As a result, the rent statement may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.



### ***Other Matter – Restriction on Use***

Our report is intended solely for the Company and the City of Hamilton and should not be used by other parties.

### ***Responsibilities of Management and Those Charged with Governance for the Rent Statement***

Management is responsible for the preparation of the rent statement in accordance with the financial reporting provisions of Article 4 of the lease agreement dated July 19, 1996 between the Company and the City of Hamilton, and for such internal control as management determines is necessary to enable the preparation of the rent statement that is free from material misstatement, whether due to fraud or error.

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

### ***Auditors' Responsibilities for the Audit of the Rent Statement***

Our objectives are to obtain reasonable assurance about whether the rent statement as a whole is 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 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 rent statement.

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 rent 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 and related disclosures made by management.



- 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.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada  
March 5, 2021

# TRADEPORT INTERNATIONAL CORPORATION

## YEAR-END RENT STATEMENT

Notes to the Rent Statement

For the twelve month period ended December 31, 2020

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### 1. Basis of accounting:

The accompanying Year-End Rent Statement (the "rent statement") of TradePort International Corporation (the "Company") represents the Company's calculations of gross revenue, base revenue, ground rent and percentage of rent for the twelve month period ended December 31, 2020. The rent statement has been prepared in accordance with the financial reporting provisions of Article 4 of the lease agreement dated July 19, 1996 between the Company and the City of Hamilton (the "Guidelines").

### 2. Significant accounting policies:

The significant accounting policies are as follows:

(a) Revenue:

Revenue is recognized on the accrual basis of accounting.

(b) Operating expenses:

Operating expenses are recognized using the accrual basis of accounting, which recognizes expenditures as incurred and measurable as a result of goods or services and the creation of a legal obligation to pay.

(c) Use of estimates:

The preparation of the rent statement in accordance with the Guidelines requires management to make estimates and assumptions that affect the reported amounts of revenue and operating expense during the period. Actual results could differ from those estimates.