

Pursuant to Section 22 of the Regulation, every registrant must file financial statements with TICO at least annually.

The type of financial statement report depends upon the sales level of each registrant. But the only acceptable form of annual financial statement is accompanied by either a Review Engagement or an Audit Opinion Report prepared by a licensed public accountant.

If the registrant's sales were less than \$10,000,000 annually, based on the previous fiscal year's financial statements filing, the registrant is required to file financial statements for their year end under a review engagement. These statements are due within three months of the registrant's year end.

If the registrant's sales were greater than \$10,000,000, but less than \$20,000,000 annually, based on the previous fiscal year's financial statements filing, the registrant is required to file financial statements for their year end under an audit report. These statements are due within three months of the registrants year end. In addition, a registrant who only reports retail sales, is also required to file semi annual interim financial statements within 45 days of the end of the semi annual period. If a registrant is a wholesaler with wholesale sales greater than \$10 million, they are required to file quarterly interim financial statements. These interim financial statements do not need to be prepared by a licensed public accountant and can be the company's internal financial statements.

If the registrant's sales are greater than \$20,000,000 annually, based on the previous fiscal year's financial statements filing, the registrant is required to file financial statements for their year end under an audit report. These statements are due within three months of the registrants year end. In addition, the registrant is also required to file quarterly financial statements within 45 days of the end of the quarter. These interim financial statements do not need to be prepared by a licensed public accountant and can be the company's internal financial statements.

The financial statements should be complete and include a balance sheet, income statement, disclose the Ontario gross sales either in the income statement in the notes to the financial statements and a reconciliation of funds held in trust including disclosure of trust account(s) balance(s) and customer obligations and liabilities.

TICO's financial inspectors, review the financial statements to ensure that the Registrant is meeting certain financial requirements. Specifically the statements indicate whether the registrant is maintaining the minimum level of working capital and trust accounts.

This review of the financial statements often is the basis for TICO's on site inspection program.

For useful information for Accountants - [click here](#)