

Financial statements of

**The Corporation of the
Municipality of Clarington
Trust Funds**

December 31, 2016

The Corporation of the Municipality of Clarington Trust Funds

December 31, 2016

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Independent auditor's report

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To the Board of Trustees, Members of Council, Inhabitants and Ratepayers of the **Municipality of Clarington**

We have audited the accompanying financial statements of the Corporation of the Municipality of Clarington Trust Funds which comprise the statement of financial position as at December 31, 2016, the statement of operations and accumulated surplus for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation 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 organization's internal control. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation of the Municipality of Clarington Trust Funds as at December 31, 2016, and its financial performance for the year then ended in accordance with Canadian public sector accounting standards.

Markham, Canada
July 4, 2017



Chartered Professional Accountants
Licensed Public Accountants

**The Corporation of the Municipality of Clarington
Trust Funds
Statement of financial position
as at December 31, 2016**

	Cash	Investments	Interest revenue receivable	Due (to) from Municipality of Clarington	Net Financial Assets and Accumulated Surplus
Advent Cemetery	-	918	33	(13)	938
Bondhead Cemetery	23,561	118,080	2,769	(1,964)	142,446
Bowmanville Cemetery	127,224	912,891	24,341	(14,419)	1,050,037
Hampton Cemetery	555	44,493	441	(624)	44,865
Lovekin Cemetery	-	10,000	401	(139)	10,262
Orono Cemetery	1,914	256,087	6,587	(3,577)	261,011
St. George's Cemetery	47,061	5,559	176	(729)	52,067
Trulls Cemetery	-	1,774	59	(24)	1,809
Vanderveer Legacy Trust	22	1,000	44	(14)	1,052
	200,337	1,350,802	34,851	(21,503)	1,564,487
Estate of Irene Rinch/Newcastle Community Hall	-	166,537	81	1,561	168,179
Montague Trust	-	15,228	7	5,597	20,832
Total - 2016	200,337	1,532,567	34,939	(14,345)	1,753,498
Total - 2015	506,931	1,132,383	25,621	11,113	1,676,048

The accompanying notes are an integral part of these financial statements.

**The Corporation of the Municipality of Clarington
Trust Funds
Statement of operations and accumulated surplus
as at December 31, 2016**

	Accumulated surplus, beginning of year	Revenues			Less: Contributions to cemeteries	Excess (shortfall) of revenues over expenses	Accumulated surplus, end of year
		Care and maintenance receipts (Note 4)	Interest earned	Total			
Advent Cemetery	918	-	15	15	15	0	918
Bondhead Cemetery	140,081	11,033	1,931	12,964	1,931	11,033	151,114
Bowmanville Cemetery	995,364	54,704	14,974	69,678	14,974	54,704	1,050,068
Hampton Cemetery	44,493	100	551	651	551	100	44,593
Lovekin Cemetery	10,000	-	147	147	147	0	10,000
Orono Cemetery	256,054	5,316	3,183	8,499	3,183	5,316	261,370
St. George's Cemetery	43,450	200	176	376	176	200	43,650
Trulls Cemetery	1,774	-	30	30	30	0	1,774
Vanderveer Legacy Trust	1,000	-	16	16	16	0	1,000
	1,493,134	71,353	21,023	92,376	21,023	71,353	1,564,487
Estate of Irene Rinch/Newcastle Community Hall	162,754	-	5,425	5,425	-	5,425	168,179
Montague Trust	20,160	-	672	672	-	672	20,832
Total - 2016	1,676,048	71,353	27,120	98,473	21,023	77,450	1,753,498
Total - 2015	1,602,127	69,552	26,215	95,767	21,846	73,921	1,676,048

The accompanying notes are an integral part of these financial statements

The Corporation of the Municipality of Clarington Trust Funds

Notes to the financial statements
December 31, 2016

1. Significant accounting policies

The financial statements of the Corporation of Municipality of Clarington Trust Funds are the representations of management prepared in accordance with Canadian public sector accounting standards and reflect the following policies:

Basis of accounting

Revenues are recorded in the period in which the transactions or events occurred that gave rise to the revenue.

Expenditures are recorded in the period the goods and services are acquired and a liability is incurred. Refunds are reported in the period issued.

Investments

Investments are recorded at cost which approximates fair value.

Use of estimates

The preparation of the periodic financial statements in conformity with Canadian public sector accounting standards, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the period. Actual results could differ from these estimates.

Comparative balances

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

2. Statement of cash flows

A statement of cash flows has not been included in these financial statements as the information is readily determinable from the financial statements presented.

3. Investments

The total investments held by the trust funds of \$1,532,567 (2015 – \$1,132,383) reported on Statement of Financial Position at cost have a market value of \$1,567,372 (2015 - \$1,158,004) including accrued interest at the end of the year. The investments consist of investments pursuant to provisions of the Municipality's investment policy and comprise government bonds and guaranteed investment certificates (GICs) issued by various financial institutions. It is the Municipality's intention to hold these investments until maturity.

The Corporation of the Municipality of Clarington Trust Funds

Notes to the financial statements

December 31, 2016

4. Care and maintenance funds

The Care and Maintenance Funds administered by the Municipality are funded by the sale of cemetery plots. These funds are invested and interest earned is used to perform care and maintenance to the Municipality's cemeteries. The operations and investments of the Funds are undertaken by the Municipality in accordance with the regulations of the Cemeteries Act.