

Financial statements of

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

December 31, 2017

# The Corporation of the Municipality of Clarington Trust Funds

December 31, 2017

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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, 2017, 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, 2017, and its financial performance for the year then ended in accordance with Canadian public sector accounting standards.

Markham, Canada  
June 22, 2018



Chartered Professional Accountants  
Licensed Public Accountants

**The Corporation of the Municipality of Clarington  
Trust Funds  
Statement of financial position  
as at December 31, 2017**

	Cash	Investments	Interest revenue receivable	Due (to) from Municipality of Clarington	Net Financial Assets and Accumulated Surplus
	\$	\$	\$	\$	\$
Advent Cemetery	530	418	22	(58)	912
Bondhead Cemetery	490	153,166	1,969	3,665	159,290
Bowmanville Cemetery	21,613	1,095,831	17,323	(43,463)	1,091,304
Hampton Cemetery	2,673	42,509	889	(1,000)	45,071
Lovekin Cemetery	508	10,000	30	(904)	9,634
Orono Cemetery	7,639	260,613	3,653	(10,142)	261,763
St. George's Cemetery	9,668	43,649	213	(9,613)	43,917
Trulls Cemetery	106	1,674	84	(64)	1,800
Vanderveer Legacy Trust	74	1,000	3	(115)	962
	43,301	1,608,860	24,186	(61,694)	1,614,653
Estate of Irene Rinch/Newcastle Community Hall	-	166,537	1,262	(31,298)	136,501
Montague Trust	-	15,228	450	(4,458)	11,220
<b>Total - 2017</b>	<b>43,301</b>	<b>1,790,625</b>	<b>25,898</b>	<b>(97,450)</b>	<b>1,762,374</b>
Total - 2016	200,337	1,532,567	34,939	(14,345)	1,753,498

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, 2017**

	Balance beginning of year	Revenues			Less: Contribution to cemeteries	Transfer for Capital	Excess (shortfall) of revenues over expenses
		Care and maintenance receipts (Note 4)	Interest earned	Total			
	\$	\$	\$	\$	\$	\$	
Advent Cemetery	918	-	19	19	25	-	(6)
Bondhead Cemetery	151,114	8,474	2,031	10,505	2,329	-	8,176
Bowmanville Cemetery	1,050,068	44,318	16,012	60,330	19,095	-	41,235
Hampton Cemetery	44,593	-	582	582	103	-	479
Lovekin Cemetery	10,000	-	137	137	503	-	(366)
Orono Cemetery	261,370	3,273	3,286	6,559	6,166	-	393
St. George's Cemetery	43,650	-	735	735	468	-	267
Trulls Cemetery	1,774	-	31	31	5	-	26
Vanderveer Legacy Trust	1,000	-	13	13	51	-	(38)
	1,564,487	56,065	22,846	78,911	28,745	-	50,166
Estate of Irene Rinch/Newcastle Community Hall	168,179	-	1,322	1,322	-	33,000	(31,678)
Montague Trust	20,832	-	388	388	-	10,000	(9,612)
<b>Total - 2017</b>	<b>1,753,498</b>	<b>56,065</b>	<b>24,556</b>	<b>80,621</b>	<b>28,745</b>	<b>43,000</b>	<b>8,876</b>
Total - 2016	1,676,048	71,353	27,120	98,473	21,023	-	77,450

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, 2017

## 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 \$1,790,625 (2016 – \$1,532,567) reported on Statement of Financial Position at cost have a market value of \$1,818,092 (2016 - \$1,567,372) 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, 2017

## **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.