
THE CORPORATION OF THE VILLAGE OF SUNDRIDGE TRUST FUNDS

FINANCIAL STATEMENTS

DECEMBER 31, 2017

THE CORPORATION OF THE VILLAGE OF SUNDRIDGE TRUST FUNDS
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Independent Auditor's Report

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To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Village of Sundridge

We have audited the accompanying financial statements of The Corporation of the Village of Sundridge Trust Funds which comprise the statement of financial position as at December 31, 2017 and the statements of operations and accumulated surplus, change in net financial assets and cash flows 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 entity'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 entity'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 Village of Sundridge Trust Funds as at December 31, 2017, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Grant Thornton LLP

North Bay, Canada
September 26, 2018

Chartered Professional Accountants
Licensed Public Accountants

THE CORPORATION OF THE VILLAGE OF SUNDRIDGE TRUST FUNDS
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017

	2017	2016
Financial Assets		
Cash and cash equivalents	\$ 7,643	\$ 11,931
Accounts receivable	400	400
	8,043	12,331
Liabilities		
Accounts payable and accrued liabilities	-	75
Net Financial Assets	8,043	12,256
Non-financial Assets		
Tangible capital assets <i>(Note 3)</i>	23,159	23,714
Accumulated Surplus <i>(Note 4)</i>	\$ 31,202	\$ 35,970

APPROVED ON BEHALF OF COUNCIL:

_____ Mayor

THE CORPORATION OF THE VILLAGE OF SUNDRIDGE TRUST FUNDS
STATEMENTS OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget 2017 <i>(see Note 5)</i>	Actual 2017	Actual 2016
Revenue			
Municipal Contributions	\$ 4,000	\$ 4,000	\$ 4,000
Donations	-	-	125
Interest	-	-	28
	4,000	4,000	4,153
Expenses			
Caretaker	2,800	4,499	2,800
Other	3,623	3,714	3,416
Amortization	555	555	554
	6,978	8,768	6,770
Annual Surplus (Deficit) (Note 4)	(2,978)	(4,768)	(2,617)
Accumulated Surplus, beginning of year	35,970	35,970	38,587
Accumulated Surplus, end of year	\$ 32,992	\$ 31,202	\$ 35,970

The accompanying notes are an integral part of these financial statements

THE CORPORATION OF THE VILLAGE OF SUNDRIDGE TRUST FUNDS
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget 2017 <i>(see Note 5)</i>	Actual 2017	Actual 2016
Annual surplus (deficit)	\$ (2,978)	\$ (4,768)	\$ (2,617)
Amortization of tangible capital assets	555	555	554
Increase (decrease) in net financial assets	(2,423)	(4,213)	(2,063)
Net financial assets, beginning of year	12,256	12,256	14,319
Net financial assets, end of year	\$ 9,833	\$ 8,043	\$ 12,256

The accompanying notes are an integral part of these financial statements

THE CORPORATION OF THE VILLAGE OF SUNDRIDGE TRUST FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016
Operating transactions		
Annual surplus (deficit)	\$ (4,768)	\$ (2,617)
Non-cash charges to operations:		
Amortization	555	554
Changes in non-cash items:		
Accounts receivable	-	(400)
Accounts payable and accrued liabilities	(75)	75
Cash applied to operating transactions	(4,288)	(2,388)
Net change in cash and cash equivalents	(4,288)	(2,388)
Cash and cash equivalents, beginning of year	11,931	14,319
Cash and cash equivalents, end of year	\$ 7,643	\$ 11,931

The accompanying notes are an integral part of these financial statements

THE CORPORATION OF THE VILLAGE OF SUNDRIDGE TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

The financial statements of the trust funds of the Corporation of the Village of Sundridge (the "Village") are the responsibility of management and have been prepared in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of significant accounting policies is provided in Note 1. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management maintains a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES

Significant aspects of the accounting policies adopted by the Village are as follows:

- (i) Reporting Entity
The financial statements reflect the assets, liabilities, revenue and expenses of the Village's trust funds. The Village's assets, liabilities, revenue and expenses are reported separately in the Village's consolidated financial statements.
- (ii) Basis of accounting
Sources of financing and expenses are reported on the accrual basis of accounting. Revenue is recognized in the year in which it is earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.
- (iii) Revenue Recognition
Capital receipts are recognized when received. Interest is recognized when earned.
- (iv) Cash and cash equivalents
Cash and cash equivalents include balances held at financial institutions and short-term deposits with original maturities of three months or less.
- (v) Non-financial assets
Non-financial assets are not available to discharge existing liabilities but are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.
 - (a) Tangible capital assets
Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Borrowing costs related to the acquisition of tangible capital assets are expensed in the year incurred. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:
 - Buildings - 25 years
 One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets received as donations are recorded at their fair value at the date of receipt.

THE CORPORATION OF THE VILLAGE OF SUNDRIDGE TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

(vi) Use of Estimates

The preparation of financial statements in accordance 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 amounts of revenues and expenses during the reporting period. These estimates and assumptions are based on management's historical experience, best knowledge of current events and actions that the Village may undertake in the future. Significant accounting estimates include estimated useful lives of tangible capital assets. Actual results could differ from these estimates.

2. HIGH ROCK LOOK-OUT FUND

In 1967 Mary S. Edgar bequeathed to the Village of Sundridge and the Township of Strong lands to be used as a picnic area and for community gatherings for the citizens of the Sundridge area. A related endowment was provided, to be held in perpetuity, and any interest earnings derived therefrom are to be used to maintain the park.

The land is jointly owned by the Township of Strong, the Township of Joly and the Village of Sundridge. The municipalities each contribute funds annually to the trust, which are used towards maintenance and capital expenditures at the park.

3. TANGIBLE CAPITAL ASSETS

The tangible capital assets of the trust fund by major asset class are outlined below.

2017			
	Land	Buildings	TOTAL
COST			
BALANCE, BEGINNING AND END OF YEAR	\$ 19,000	\$ 13,863	\$ 32,863
ACCUMULATED AMORTIZATION			
Balance, beginning of year	-	9,149	9,149
Annual amortization	-	555	555
BALANCE, END OF YEAR	-	9,704	9,704
TANGIBLE CAPITAL ASSETS-NET	\$ 19,000	\$ 4,159	\$ 23,159

2016			
	Land	Buildings	TOTAL
COST			
BALANCE, BEGINNING AND END OF YEAR	\$ 19,000	\$ 13,863	\$ 32,863
ACCUMULATED AMORTIZATION			
Balance, beginning of year	-	8,595	8,595
Annual amortization	-	554	554
BALANCE, END OF YEAR	-	9,149	9,149
TANGIBLE CAPITAL ASSETS-NET	\$ 19,000	\$ 4,714	\$ 23,714

THE CORPORATION OF THE VILLAGE OF SUNDRIDGE TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

4. ACCUMULATED SURPLUS

The 2017 continuity of accumulated surplus reported on the Statement of Financial Position is as follows:

	Balance Beginning of Year	Annual Deficit	Balance End of Year
Tangible capital assets	\$ 23,714	\$ (555)	\$ 23,159
General surplus	12,256	(4,213)	8,043
	\$ 35,970	\$ (4,768)	\$ 31,202

5. BUDGET FIGURES

The budget adopted for the current year was prepared on a modified accrual basis, and has been restated to conform with the accounting and reporting standards applicable to the actual results. A reconciliation of the adopted and reported budgets is presented below.

	Budget
ADOPTED BUDGET:	
Decrease in general operating surplus	\$ (2,423)
ADJUSTMENTS:	
Amortization of tangible capital assets	555
ANNUAL DEFICIT	\$ (2,978)