

## SECTION 3

Financial Statements of

# **CITY OF GREATER SUDBURY TRUST FUNDS**

Year ended December 31, 2004

## AUDITORS' REPORT

Members of Council,  
Inhabitants and Ratepayers of the  
City of Greater Sudbury

We have audited the statement of financial position of the Trust Funds of the **City of Greater Sudbury** as at December 31, 2004 and the Trust Funds statement of continuity for the year then ended. These financial statements are the responsibility of the City's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Trust Funds of the City as at December 31, 2004 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.



**COLLINS BARROW, SUDBURY - NIPISSING LLP**  
Chartered Accountants



**KPMG LLP**  
Chartered Accountants

Sudbury, Canada  
April 30, 2005



**FREELANDT CALDWELL REILLY LLP**  
Chartered Accountants

# CITY OF GREATER SUDBURY

## TRUST FUNDS

Statement of Financial Position

(in thousands of dollars)

As at December 31, 2004, with comparative figures for 2003

	Former District of Sudbury	Home for The Aged Residents' Fund	Subdividers' Deposits	Pension Benefits for Retired Employees (note 5)	Ontario Home Renewal Program (note 2)	Fednor Project - Business Planning Initiative (note 3)	Cemetery Pre-Need Maintenance	2004 Total	2003 Total
<b>Assets</b>									
Cash and short-term investments	\$ 475	218	1,235	46	1	22	-	1,997	2,074
Due from City of Greater Sudbury	-	-	1,106	-	-	-	87	4,692	5,209
Loans receivable	-	-	-	-	120	101	-	221	211
Allowance for doubtful loans	-	-	-	-	(118)	-	-	(118)	(118)
	\$ 475	218	2,341	46	3	123	87	7,985	7,376
<b>Liabilities and Fund Balances</b>									
Due to City of Greater Sudbury	\$ -	44	-	-	-	-	-	44	45
Due to Province of Ontario	-	-	-	-	-	-	-	-	2
Fund balances	475	174	2,341	46	3	123	87	4,692	7,329
	\$ 475	218	2,341	46	3	123	87	7,985	7,376

The accompanying notes are an integral part of this financial statement.

# CITY OF GREATER SUDBURY

## TRUST FUNDS

Statement of Continuity

(in thousands of dollars)

Year ended December 31, 2004, with comparative figures for 2003

	Former District of Sudbury Social Services Administration Board (note 4)	Home for The Aged Residents' Fund	Subdividers' Deposits	Pension Benefits for Retired Employees (note 5)	Ontario Home Renewal Program (note 2)	Fednor Project - Business Planning Initiative (note 3)	Cemetery Pre-Need Maintenance	2004 Total	2003 Total
Fund balance, beginning of year	\$ 475	151	2,082	62	3	123	4,372	7,329	9,225
Revenue:									
Plot sales	-	-	-	-	-	-	322	348	480
Receipts from or on behalf of others	-	661	-	-	-	-	-	661	686
Interest earned	11	4	29	1	-	-	129	176	239
Subdividers' deposits	-	-	784	-	-	-	-	784	250
	11	665	813	1	-	-	451	1,969	1,655
Expenditure:									
Disbursements	-	-	-	-	-	-	-	-	2,397
Disbursements to or on behalf of residents	-	642	-	-	-	-	-	642	774
Interest paid	-	-	-	-	-	-	-	-	8
Refunds	-	-	554	-	-	-	2	556	195
Payments to Retiree's	-	-	-	17	-	-	-	17	17
Transfer to reserve, capital and current funds	-	-	-	-	-	-	129	131	144
Administration and registration fees	11	-	-	-	-	-	-	11	14
Returned to Province of Ontario	-	-	-	-	-	-	-	-	2
	11	642	554	17	-	-	131	1,357	3,551
Fund balance, end of year	\$ 475	174	2,341	46	3	123	4,692	7,941	7,329

The accompanying notes are an integral part of this financial statement.

# CITY OF GREATER SUDBURY

## TRUST FUNDS

Notes to Financial Statements

Year ended December 31, 2004

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### **1. Significant accounting policies:**

#### **Basis of accounting:**

The Trust Funds financial statements are prepared by management and are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures 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.

### **2. Ontario Home Renewal Program:**

The Ontario Home Renewal Program has been discontinued. Any loan receivable collected in each of the subsequent calendar years must be remitted to the Ontario Ministry of Housing by March 1 of the following year.

### **3. Fednor Project Business Planning Initiative:**

Fednor has advanced \$110,110 to be used by the Regional Business Centre to aid small businesses. An advance for up to 90% of the small businesses consulting costs may be made. At the end of two years, the client may be asked to repay this advance if feasible or the advance may be forgiven. Any interest earned will be available for further advances.

### **4. Former District of Sudbury Social Services Administration Board:**

This Trust Fund has been established to provide any potential contingencies relative to the former Social Services Administration Board. The Trust Fund will be maintained until January 12, 2006 after which its distribution will be in accordance with the main severance formula used in the distribution of assets of the former Board. The City of Greater Sudbury is entitled to an administrative fee for the management of the Fund and that fee is equal to the amount of interest earned on the Fund.

### **5. Pension Benefits for Retired Employees:**

This fund consists of payments to be made to retired employees in future years as part of an incentive package.