

Financial Statements of

**CITY OF GREATER SUDBURY
TRUST FUNDS**

Year ended December 31, 2016



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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of The City of Greater Sudbury Trust Funds, which comprise the statement of financial position as at December 31, 2016, the statement of changes in fund balances for the year then ended, and notes, comprising 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.

Auditors' 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 disclosure in the financial statements. The procedures selected depend on our 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, we consider 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, these financial statements present fairly, in all material respects, the financial position of The City of Greater Sudbury Trust Funds as at December 31, 2016 and its results of operations for the year then ended in accordance with Canadian public sector accounting standards.

Comparative Information

The financial statements of The City of Greater Sudbury Trust Funds as at and for the year ended December 31, 2015 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 28, 2016.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

July 11, 2017

Sudbury, Canada

CITY OF GREATER SUDBURY TRUST FUNDS

Statement of Financial Position

December 31, 2016, with comparative information for 2015
(in thousands of dollars)

| | Home for The Aged Residents' Fund | Subdividers' Deposits | Miscellaneous | Fednor Project - Business Planning Initiative (note 3) | Cemetery Pre-Need | Cemetery Care and Maintenance | Total 2016 | Total 2015 |
|---|--|--------------------------|---------------|---|----------------------|-------------------------------------|---------------|---------------|
| Assets | | | | | | | | |
| Cash | \$ 208 | 1,148 | - | - | - | - | 1,356 | 1,397 |
| Due from City of Greater Sudbury (note 2) | - | 4,767 | 39 | - | 1,250 | 7,937 | 13,993 | 14,704 |
| Loans receivable | - | - | - | 117 | - | - | 117 | 117 |
| Allowance for doubtful loans | - | - | - | (117) | - | - | (117) | (117) |
| | \$ 208 | 5,915 | 39 | - | 1,250 | 7,937 | 15,349 | 16,101 |
| Liabilities and Fund Balances | | | | | | | | |
| Accounts payable | \$ 80 | - | - | - | - | - | 80 | 90 |
| Fund balances | 128 | 5,915 | 39 | - | 1,250 | 7,937 | 15,269 | 16,011 |
| | \$ 208 | 5,915 | 39 | - | 1,250 | 7,937 | 15,349 | 16,101 |

See accompanying notes to financial statements.

CITY OF GREATER SUDBURY

TRUST FUNDS

Statement of Changes in Fund Balances

Year ended December 31, 2016, with comparative information for 2015
(in thousands of dollars)

| | Home for The Aged Residents' Fund | Subdividers' Deposits | Miscellaneous | Fednor Project - Business Planning Initiative (note 3) | Cemetery Pre-Need | Cemetery Care and Maintenance | Total 2016 | Total 2015 |
|--|--|--------------------------|---------------|---|----------------------|-------------------------------------|---------------|---------------|
| Revenue: | | | | | | | | |
| Plot sales | \$ - | - | - | - | 105 | 269 | 374 | 370 |
| Receipts from or on behalf of others | 1,315 | - | 4 | - | - | - | 1,319 | 1,402 |
| Interest earned | 1 | 11 | - | - | 23 | 251 | 286 | 298 |
| Subdividers' deposits | - | 451 | - | - | - | - | 451 | 1,298 |
| | 1,316 | 462 | 4 | - | 128 | 520 | 2,430 | 3,368 |
| Expenses: | | | | | | | | |
| Disbursements to or on behalf of residents | 1,322 | - | - | - | - | - | 1,322 | 1,400 |
| Refunds | - | 1,549 | - | - | - | - | 1,549 | 1,895 |
| Transfer to City of Greater Sudbury | - | - | - | - | 50 | 251 | 301 | 317 |
| | 1,322 | 1,549 | - | - | 50 | 251 | 3,172 | 3,612 |
| Change in fund balance in year | (6) | (1,087) | 4 | - | 78 | 269 | (742) | (244) |
| Fund balance, beginning of year | 134 | 7,002 | 35 | - | 1,172 | 7,668 | 16,011 | 16,255 |
| Fund balance, end of year | \$ 128 | 5,915 | 39 | - | 1,250 | 7,937 | 15,269 | 16,011 |

See accompanying notes to financial statements.

THE CITY OF GREATER SUDBURY

TRUST FUNDS

Notes to Financial Statements

Year ended December 31, 2016
(in thousands of dollars)

The City of Greater Sudbury Trust Funds (the "Funds") consists of various trust funds administered by the City of Greater Sudbury (the "City").

The Funds are not subject to income taxes under Section 149 (1) of the Income Tax Act (Canada).

1. Significant accounting policies:

These financial statements 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.

These financial statements include trust funds administered by the City as well as those within organizations that are accountable for the administration of their financial affairs and resources to City Council and are owned or controlled by the City. The Fund's financial statements are the responsibility of management and have been prepared in accordance with the accounting policy set out below.

2. Due from the City of Greater Sudbury:

At December 31, 2016, the Funds have amounts due from the City of \$13,993 (2015 - \$14,704) that arose as a result of investment and banking transactions due to the City maintaining bank accounts or holding investments on behalf of the Funds. These amounts are non-interest bearing other than \$1,250 and \$7,937 which bear interest at the rates of 1.83% and 3.33% respectively (2015 - \$1.97% and 3.47%) and are due on demand.

3. Fednor Project Business Planning Initiative:

Fednor has advanced \$117 to be used by the Regional Business Centre, a division of the City, to aid small businesses. The advance is non-interest bearing. The funds were subsequently loaned to small businesses. The loans are non-interest bearing and have been fully provided for. The Regional Business Centre may be asked by Fednor to repay its advance or the advance may be forgiven. To date, Fednor has not asked for repayment or forgiven the advance.