

Financial Statements of

**CITY OF GREATER SUDBURY  
TRUST FUNDS**

Year ended December 31, 2018



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## INDEPENDENT AUDITORS' REPORT

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

### ***Opinion***

We have audited the financial statements of The City of Greater Sudbury Trust Funds (the Entity), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of changes in fund balances for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”)

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The City of Greater Sudbury Trust Funds as at December 31, 2018, and its results of operations for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditors’ Responsibilities for the Audit of the Financial Statements***” section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

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



## ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

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

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## ***Auditors' Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*

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Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

June 11, 2019

**CITY OF GREATER SUDBURY**  
**TRUST FUNDS**

Statement of Financial Position

December 31, 2018, with comparative information for 2017  
(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 2018	Total 2017
<b>Assets</b>								
Cash	\$ 194	1,132	-	-	-	-	1,326	1,305
Due from City of Greater Sudbury (note 2)	-	6,230	98	-	1,395	8,504	16,227	14,607
Loans receivable	-	-	-	117	-	-	117	117
Allowance for doubtful loans	-	-	-	(117)	-	-	(117)	(117)
	\$ 194	7,362	98	-	1,395	8,504	17,553	15,912
<b>Liabilities and Fund Balances</b>								
Accounts payable	\$ 82	-	-	-	-	-	82	72
Fund balances	112	7,362	98	-	1,395	8,504	17,471	15,840
	\$ 194	7,362	98	-	1,395	8,504	17,553	15,912

See accompanying notes to financial statements.

# CITY OF GREATER SUDBURY

## TRUST FUNDS

### Statement of Changes in Fund Balances

Year ended December 31, 2018, with comparative information for 2017  
(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 2018	Total 2017
Revenue:								
Plot sales	\$ -	-	-	-	129	305	434	365
Receipts from or on behalf of others	1,288	-	48	-	-	-	1,336	1,251
Interest earned	-	20	-	-	32	317	369	311
Subdividers' deposits	-	1,677	-	-	-	-	1,677	1,054
	1,288	1,697	48	-	161	622	3,816	2,981
Expenses:								
Disbursements to or on behalf of residents	1,288	-	-	-	-	-	1,288	1,257
Refunds	-	509	-	-	-	-	509	806
Transfer to City of Greater Sudbury	-	-	-	-	71	317	388	347
	1,288	509	-	-	71	317	2,185	2,410
Change in fund balances in year	-	1,188	48	-	90	305	1,631	571
Fund balances, beginning of year	112	6,174	50	-	1,305	8,199	15,840	15,269
Fund balances, end of year	\$ 112	7,362	98	-	1,395	8,504	17,471	15,840

See accompanying notes to financial statements.

# THE CITY OF GREATER SUDBURY

## TRUST FUNDS

Notes to Financial Statements

Year ended December 31, 2018  
(in thousands of dollars)

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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, 2018, the Funds have amounts due from the City of \$16,227 (2017 - \$14,607) 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 \$1,395 and \$8,504 which bear interest at the rates of 2.31% and 3.81% respectively (2017 - 1.88% and 3.38%) 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.