

**CORPORATION OF THE
TOWNSHIP OF CLEARVIEW
LAVENDER CEMETERY BOARD
FINANCIAL STATEMENTS
DECEMBER 31, 2018**

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INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Members of the Lavender Cemetery Board, Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Clearview:

Opinion

We have audited the financial statements of the Lavender Cemetery Board ("the Board"), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2018, and its results of operations and cash flows 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical 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 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.

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

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

Auditor's Responsibilities 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 auditor's 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 these 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 Board'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 Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Board 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 represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Baker Tilly SGB LLP

Licensed Public Accountants
Collingwood, Ontario
August 6, 2019

**CORPORATION OF THE TOWNSHIP OF CLEARVIEW
LAVENDER CEMETERY BOARD**

**LAVENDER CEMETERY BOARD
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31**

	2018	2017
	\$	\$
Financial assets		
Cash	13,662	14,149
Care and Maintenance trust fund assets, at cost (Notes 2 and 3)	21,222	21,171
Investments, at cost (Note 3)	28,421	28,631
Accounts receivable	1,625	1,385
	64,930	65,336
Liabilities		
Care and Maintenance trust fund (Note 2)	21,305	21,255
Net financial assets	43,625	44,081
Non-financial assets		
Tangible capital assets - net (Note 4)	7,938	8,370
Land inventory	2,321	2,321
	10,259	10,691
Accumulated surplus (Note 5)	53,884	54,772

Approved on behalf of the Board:

_____ Director

The accompanying notes are an integral part of
these financial statements.

**CORPORATION OF THE TOWNSHIP OF CLEARVIEW
LAVENDER CEMETERY BOARD**

**LAVENDER CEMETERY BOARD
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31**

	2018	2017
	\$	\$
Revenues		
Burial fees	800	1,000
Cornerstone sales	-	100
Less: Transfer to Care and Maintenance trust fund	-	(100)
	800	1,000
Interest - transfer from Care and Maintenance trust fund (Note 2)	146	282
Interest	573	702
Donations	1,940	932
	3,459	2,916
Expenses		
Cost of sales	800	1,004
Maintenance and care of grounds	2,334	4,860
Miscellaneous	781	782
Amortization of tangible capital assets	432	432
	4,347	7,078
Annual deficit	(888)	(4,162)
Accumulated surplus, beginning of year	54,772	58,934
Accumulated surplus, end of year (Note 5)	53,884	54,772

The accompanying notes are an integral part of
these financial statements.

**CORPORATION OF THE TOWNSHIP OF CLEARVIEW
LAVENDER CEMETERY BOARD**

**LAVENDER CEMETERY BOARD
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31**

	2018	2017
	\$	\$
Annual deficit	(888)	(4,162)
Amortization of tangible capital assets	432	432
Acquisition of tangible capital assets	-	(3,500)
Depletion of land inventory	-	5
Change in net financial assets	(456)	(7,225)
Net financial assets, beginning of year	44,081	51,306
Net financial assets, end of year	43,625	44,081

The accompanying notes are an integral part of
these financial statements.

**CORPORATION OF THE TOWNSHIP OF CLEARVIEW
LAVENDER CEMETERY BOARD**

**LAVENDER CEMETERY BOARD
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31**

	2018	2017
	\$	\$
Cash flows from (for):		
Operating activities		
Annual deficit	(888)	(4,162)
Non-cash items:		
Amortization of tangible capital assets	432	432
	(456)	(3,730)
Change in:		
Accounts receivable	(240)	(975)
Land inventory	-	5
HST payable		(422)
Care and Maintenance trust fund liabilities	50	100
Net change in cash from operations	(646)	(5,022)
Capital activities		
Acquisition of tangible capital assets	-	(3,500)
Investing activities		
Change in investments	210	-
Change in Care and Maintenance trust fund assets	(51)	(16)
Net change in cash from investing	159	(16)
Net change in cash position	(487)	(8,538)
Cash, beginning of year	14,149	22,687
Cash, end of year	13,662	14,149

The accompanying notes are an integral part of
these financial statements.

CORPORATION OF THE TOWNSHIP OF CLEARVIEW LAVENDER CEMETERY BOARD

LAVENDER CEMETERY BOARD NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

1. Significant accounting policies

The financial statements of the Board are the representation of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Board and the changes thereto. The statement of financial position includes all of the assets and liabilities of the Board. Financial assets are those assets which could provide resources to discharge existing liabilities or finance future operations. Accumulated surplus represents the financial position and is the difference between assets and liabilities. This provides information about the Board's overall future revenue requirements and its ability to finance activities and meet its obligations. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Basis of accounting

Sources of financing and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available 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.

(b) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and 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. The change in non-financial assets during the year, together with the annual deficit, provides the change in net financial assets for the year.

(i) 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. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Lawnmower	12 years
Fencing	25 years

Land has an indefinite life and is not amortized.

Contributed tangible capital assets will be recognized at fair market value at the date of contribution.

(ii) Land inventory

The land devoted to the plots themselves is not a tangible capital asset, and is not capitalized as such. This land is an inventory of land for sale, and as the plots are sold, the inventory is reduced accordingly and recorded as cost of sales.

CORPORATION OF THE TOWNSHIP OF CLEARVIEW LAVENDER CEMETERY BOARD

LAVENDER CEMETERY BOARD NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

1. Significant accounting policies (continued)

(c) Revenue recognition

Sale of plots and donations are recognized as revenue when funds are received. Interest is recognized as earned.

2. Care and Maintenance trust fund

The Board is required by the Cemeteries Act to hold funds received for the purposes of perpetual care and maintenance of burial plots in a separate trust fund at an eligible financial institution. Interest earned on the investments held in trust is transferred to the Board's general fund.

3. Investments

Investments are comprised of GICs and cash. Annual interest rates on general fund investments range from 0.40% to 2.50% (2017 - 0.40% to 2.50%). Maturity dates for investments range from February 19, 2019 to September 29, 2021 (2017 - February 19, 2019 to September 29, 2021).

The annual interest rate on the Care and Maintenance trust fund investment is 0.59% (2017 - 0.59%). The investment matures on September 24, 2020 (2017 - September 24, 2020).

4. Tangible capital assets

The following provides information on the tangible capital assets of the Board by major asset class, as well as accumulated amortization:

	2018	2017
	\$	\$
Cost		
Fencing	3,500	3,500
Lawnmower	3,508	3,508
Land	3,108	3,108
	10,116	10,116
Accumulated amortization	(2,178)	(1,746)
	7,938	8,370

**CORPORATION OF THE TOWNSHIP OF CLEARVIEW
LAVENDER CEMETERY BOARD**

**LAVENDER CEMETERY BOARD
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2018**

5. Accumulated surplus

The accumulated surplus is as follows:

	2018	2017
	\$	\$
Invested in tangible capital assets	7,938	8,370
Unrestricted	35,946	36,402
Restricted donation	10,000	10,000
Total accumulated surplus	53,884	54,772

Restricted donation

\$10,000 was received in 2005 on the condition that the amount be invested and the annual interest used to place flowers on the deceased's grave each year.