

**CORPORATION OF THE  
TOWNSHIP OF CLEARVIEW  
STAYNER UNION CEMETERY  
FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Township of Clearview Stayner Union Cemetery:

### **Opinion**

We have audited the financial statements of the Township of Clearview Stayner Union Cemetery (the Cemetery), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, change in net debt 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 Cemetery 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 Cemetery 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 Cemetery'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 Cemetery or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Cemetery'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 Cemetery'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 Cemetery'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 Cemetery 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 STAYNER UNION CEMETERY

## STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31

	2018	2017
	\$	\$
<b>Financial assets</b>		
Cash (Note 3)	31,752	28,660
Care and Maintenance trust fund assets, at cost (which approximates fair market value) (Note 3)	312,051	301,431
Accounts receivable	5,250	6,669
	349,053	336,760
<b>Liabilities</b>		
Payable to Care and Maintenance trust fund (Note 2)	-	13,320
Accounts payable	8,291	3,630
Care and Maintenance trust fund (Note 2)	312,051	301,431
Due to Township of Clearview	48,488	48,488
	368,830	366,869
Net debt	(19,777)	(30,109)
<b>Non-financial assets</b>		
Tangible capital assets - net (Note 4)	4,201	4,269
Land inventory	6,364	6,378
	10,565	10,647
<b>Accumulated deficit (Note 5)</b>	(9,212)	(19,462)

Approved on behalf of the board:

\_\_\_\_\_ Director

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

# CORPORATION OF THE TOWNSHIP OF CLEARVIEW STAYNER UNION CEMETERY

## STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	2018	2017
	\$	\$
<b>Revenues</b>		
Plot sales	17,817	11,775
Marker sales	15,525	10,150
Columbarium sales	14,260	12,708
Transfer to Care and Maintenance trust fund	(10,620)	(7,608)
	36,982	27,025
Interest - transfer from Care and Maintenance trust fund	5,734	5,505
Burial charges, foundations and markers	47,689	33,250
Miscellaneous	1,482	990
	91,887	66,770
<b>Expenses</b>		
Cost of sales - land inventory	14	11
Maintenance and care of building and grounds	81,551	57,457
Amortization of tangible capital assets	68	68
Miscellaneous	4	627
	81,637	58,163
<b>Annual surplus</b>	10,250	8,607
Accumulated deficit, beginning of year	(19,462)	(28,069)
<b>Accumulated deficit, end of year (Note 5)</b>	(9,212)	(19,462)

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

**CORPORATION OF THE TOWNSHIP OF CLEARVIEW  
STAYNER UNION CEMETERY**

**STATEMENT OF CHANGE IN NET DEBT  
FOR THE YEAR ENDED DECEMBER 31**

	2018	2017
	\$	\$
<b>Annual surplus</b>	<b>10,250</b>	<b>8,607</b>
Amortization of tangible capital assets	68	68
Depletion of land inventory	14	11
Change in net debt	10,332	8,686
Net debt, beginning of year	(30,109)	(38,795)
<b>Net debt, end of year</b>	<b>(19,777)</b>	<b>(30,109)</b>

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

# CORPORATION OF THE TOWNSHIP OF CLEARVIEW STAYNER UNION CEMETERY

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31

	2018	2017
	\$	\$
<b>Cash flows from (for):</b>		
<b>Operating activities</b>		
Annual surplus	10,250	8,607
Non-cash items:		
Amortization of tangible capital assets	68	68
	<b>10,318</b>	<b>8,675</b>
Changes in:		
Accounts receivable	1,419	(5,311)
Accounts payable	4,660	(1,472)
Payable to Care and Maintenance trust fund	(13,320)	(2,705)
Land inventory	14	11
	<b>3,091</b>	<b>(802)</b>
<b>Investing activities</b>		
C&M Fund Investments	(70)	-
<b>Net change in cash position</b>	<b>3,021</b>	<b>(802)</b>
Cash and short-term investments, beginning of year	28,660	29,462
<b>Cash and short-term investments, end of year</b>	<b>31,681</b>	<b>28,660</b>

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

# CORPORATION OF THE TOWNSHIP OF CLEARVIEW STAYNER UNION CEMETERY

## NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

### 1. Significant accounting policies

The financial statements are the representation of management prepared in accordance with 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 deficit 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 revenues 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 surplus, provides the change in net debt 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:

Buildings	- 50 years
Tools and equipment	- 12 years
Paving	- 20 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 will be reduced accordingly and recorded as cost of sales.



# CORPORATION OF THE TOWNSHIP OF CLEARVIEW STAYNER UNION CEMETERY

## NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2018

### 1. Significant accounting policies (continued)

#### (c) Revenue recognition

Sale of plots and marker installations, burial charges, foundations, markers and miscellaneous revenue are recognized when funds are received and considered collectible. Interest is recorded when funds are received and reported on an accrual basis.

### 2. Care and Maintenance trust fund

The Cemetery 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 cemetery's general fund. At the end of the year, \$NIL (2017 - \$13,320) was owed to the trust funds by the Board.

### 3. Investments

Care and Maintenance trust fund assets are comprised of GICs and cash.

Annual interest rates on Care and Maintenance trust fund investments range from 1.70% to 2.70% (2017 - 1.67% to 2.70%). Maturity dates for these investments range from September 3, 2019 to September 13, 2022 (2017 - January 31, 2018 to September 13, 2022).

### 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		
Land	1,014	1,014
Buildings	22,330	22,330
Tools and equipment	2,000	2,000
Paving	12,652	12,652
	<b>37,996</b>	<b>37,996</b>
Accumulated amortization		
Buildings	19,144	19,076
Tools and equipment	2,000	2,000
Paving	12,651	12,651
	<b>33,795</b>	<b>33,727</b>
	<b>4,201</b>	<b>4,269</b>

**CORPORATION OF THE TOWNSHIP OF CLEARVIEW  
STAYNER UNION CEMETERY**

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

**5. Accumulated deficit**

The accumulated deficit is as follows:

	<b>2018</b>	<b>2017</b>
	\$	\$
Invested in tangible capital assets	4,201	4,269
Unrestricted deficit	(13,412)	(23,731)
<b>Total accumulated deficit</b>	<b>(9,211)</b>	<b>(19,462)</b>