



Financial Statements of the

**CORPORATION OF THE
TOWNSHIP OF ST. CLAIR
TRUST FUNDS**

December 31, 2015

**CORPORATION OF THE TOWNSHIP OF ST. CLAIR
TRUST FUNDS
Financial Statements
December 31, 2015**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditors' Report	1-2
Statement of Financial Position	3
Statement of Operations	4
Statement of Changes in Net Financial Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-9

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of St. Clair Trust Funds

We have audited the accompanying financial statements of the **Corporation of the Township of St. Clair Trust Funds**, which comprise the statement of financial position as at December 31, 2015 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and 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 disclosures in the financial statements. The procedures selected depend on the auditors' 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, the auditor considers 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 in our audit is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

The Corporation of the Township of St. Clair Trust Funds derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Trust Funds and we were not able to determine whether any adjustments might be necessary to donation revenues, change in net financial position and cash flows for the year ended December 31, 2015, financial assets and net financial position for the year then ended.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Corporation of the Township of St. Clair Trust Funds as at December 31, 2015 and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Collins Barrow KMO LLP

CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

London, Canada
August 8, 2016

**CORPORATION OF THE TOWNSHIP OF ST. CLAIR
TRUST FUNDS**

Statement of Financial Position

December 31, 2015

	Bradshaw Cemetery	Waterwell Contamination Deposits	St. Clair River Trail	2015 Total	2014 Total
FINANCIAL ASSETS					
Cash and guaranteed investment certificates		\$ 36,466	\$ 128,080	\$ 164,546	\$ 316,025
Accounts receivable		57	2,797	2,854	2,804
Due from the Township of St. Clair	\$ 36,588	240		36,828	15,436
	\$ 36,588	\$ 36,763	\$ 130,877	\$ 204,228	\$ 334,265
Accounts payable				\$ -	\$ -
FUND BALANCES AT END OF YEAR	\$ 36,588	\$ 36,763	\$ 130,877	\$ 204,228	\$ 334,265
	\$ 36,588	\$ 36,763	\$ 130,877	\$ 204,228	\$ 334,265

Approved on behalf of Council:



Mayor



CAO



Treasurer

**CORPORATION OF THE TOWNSHIP OF ST. CLAIR
TRUST FUNDS**

Statement of Operations

Year ended December 31, 2015

	Bradshaw Cemetery	Waterwell Contamination Deposits	St. Clair River Trail	2015 Total	2014 Total
REVENUES					
Donations			\$ 3,436	\$ 3,436	\$ 18,422
Perpetual Sales	200			200	-
Municipal contribution	21,190		42,102	63,292	188,093
Fundraising & fees			48,375	48,375	35,950
Interest earned		\$ 385	2,964	3,349	2,432
	\$ 21,390	\$ 385	\$ 96,877	\$ 118,652	\$ 244,897
EXPENDITURES					
Payment to trust settlors				-	-
Administration fees					
Fundraising			34,576	34,576	-
Other Expenses				-	35,221
Engineering & construction			214,115	214,115	-
	-	-	248,691	248,691	35,221
ANNUAL SURPLUS (DEFICIT)	21,390	385	(151,814)	(130,039)	209,676
FUND BALANCES AT THE BEGINNING OF YEAR	\$ 15,196	\$ 36,378	\$ 282,691	\$ 334,265	\$ 124,589
FUND BALANCE AT END OF YEAR	\$ 36,586	\$ 36,763	\$ 130,877	\$ 204,226	\$ 334,265

**CORPORATION OF THE TOWNSHIP OF ST. CLAIR
TRUST FUNDS**

**Statement of Changes in Net Financial Assets
Year ended December 31, 2015**

	2015	2014
ANNUAL SURPLUS (DEFICIT)	\$ (130,039)	\$ 209,676
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(130,039)	209,676
NET FINANCIAL ASSETS, BEGINNING OF YEAR	334,265	124,589
NET FINANCIAL ASSETS, AT END OF YEAR	\$ 204,226	\$ 334,265

**CORPORATION OF THE TOWNSHIP OF ST. CLAIR
TRUST FUNDS**

Statement of Cash Flows

Year ended December 31, 2015

	2015	2014
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Annual (deficit) surplus	\$ (130,039)	\$ 209,676
(Increase) decrease in accounts receivable	(50)	134,229
(Increase) decrease in Due from the Township of St. Clair	(21,390)	(15,196)
Increase (decrease) in accounts payable		(294,842)
Cash provided by operating transactions:	(151,479)	34,067
CASH AND GUARANTEED INVESTMENT CERTIFICATES, BEGINNING OF YEAR	316,025	281,958
CASH AND GUARANTEED INVESTMENT CERTIFICATES, END OF YEAR	\$ 164,546	\$ 316,025

CORPORATION OF THE TOWNSHIP OF ST. CLAIR TRUST FUNDS

Notes to the Financial Statements

Year Ended December 31, 2015

1. NATURE OF TRUSTS

- **Bradshaw Cemetery**

A trust established for the care and maintenance of this cemetery.

- **Water Well Contamination Deposits**

A trust established to provide immediate financial support in the event of water well contamination within a designated area of the Township. Interest earned on the capital is distributed to the municipality and the settlers.

- **St. Clair River Trail**

A trust established to hold funds on behalf of the community to be employed in the development of a trail system following the St. Clair River, the length of the Township.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Trust Funds are the representation of the management of the Corporation of the Township of St. Clair prepared in accordance with accounting principles prescribed for municipal governments established by the Chartered Professional Accountants of Canada's Public Sector Accounting Handbook. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

Accrual accounting

Sources of revenues and expenditures 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.

Financial instruments

i) Measurement of financial instruments

The Trust initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

**CORPORATION OF THE TOWNSHIP OF ST. CLAIR
TRUST FUNDS
Notes to the Financial Statements
Year Ended December 31, 2015**

The Trust subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and guaranteed investment certificates and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable

ii) *Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations. The write down reflects the difference between the carrying amount and the higher of:

- a) the present value of the cash flows expected to be generated by the asset or group of assets;
- b) the amount that could be realized by selling the assets or group of assets;
- c) the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the event occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in the statement of operations up to the amount of the previously recognized impairment.

Revenue Recognition

Donations are recognized as revenues in the period in which they are received or receivable. Federal grants, municipal contribution and fundraising fees are recognized as revenue when related goods or services are provided and collectability is reasonably assumed.

Interest earned on surplus funds is recognized as revenue when earned.

Use of Estimates and Measurement Uncertainty

The preparation of financial statements in conformity with the Chartered Professional Accountants of Canada Public Sector Accounting Handbook requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Actual results could differ from the estimates. Estimates are used with accounting for items such as accrued receivables and accrued liabilities.

**CORPORATION OF THE TOWNSHIP OF ST. CLAIR
TRUST FUNDS**

**Notes to the Financial Statements
Year Ended December 31, 2015**

3. FINANCIAL INSTRUMENTS AND RISKS

All financial instruments are considered current in nature and accordingly their value approximates fair value. Management has determined that the Trust is not exposed to interest rate risk, credit risk and liquidity risk.