

DRAFT #2
May 13, 2024

Financial Statements of

**THE CORPORATION OF THE
TOWN OF GEORGINA
TRUST FUNDS**

And Independent Auditor's Report thereon

Year ended December 31, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Residents and Taxpayers of The Corporation of the Town of Georgina

Opinion

We have audited the financial statements of the trust funds of The Corporation of the Town of Georgina (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations and accumulated surplus 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 Entity as at December 31, 2023, 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 "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's 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 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 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.

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 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 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 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 represent 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.

DRAFT

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

THE CORPORATION OF THE TOWN OF GEORGINA TRUST FUNDS

DRAFT Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023		2023	2022
		Cooke's Cemetery Perpetual Care Fund	Johnson Family Cemetery Perpetual Care Fund	Keswick Cemetery Perpetual Care Fund
		Boarding Home Contract Program	Total	Total
Investments at cost	\$ 24,733	\$ 2,000	\$ 125,810	\$ 152,543
Due from Town of Georgina (note 2)	-	-	85,329	85,329
	24,733	2,000	125,810	237,872
Liabilities				
Payable to the Province of Ontario (note 3)	-	-	85,329	85,329
Accumulated surplus	\$ 24,733	\$ 2,000	\$ 125,810	\$ 152,543
			-	\$ 134,670

See accompanying notes to financial statements.

THE CORPORATION OF THE TOWN OF GEORGINA TRUST FUNDS

DRAFT Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

	2023			2022		
	Cooke's Cemetery Perpetual Care Fund	Johnson Family Cemetery Perpetual Care Fund	Keswick Cemetery Perpetual Care Fund	Boarding Home Contract Program	Total	Total
Revenue:						
Sale of plots	\$ 200	\$ -	\$ 17,673	\$ -	\$ 17,873	\$ 15,338
Interest earned	1,137	33	5,988	-	7,158	2,715
	1,337	33	23,661	-	25,031	18,053
Expenses:						
Paid to Cemetery Board	1,137	33	5,988	-	7,158	2,715
Annual surplus	200	-	17,673	-	17,873	15,338
Accumulated surplus, beginning of year	24,533	2,000	108,137	-	134,670	119,332
Accumulated surplus, end of year	\$ 24,733	\$ 2,000	\$ 125,810	\$ -	\$ 152,543	\$ 134,670

See accompanying notes to financial statements.

THE CORPORATION OF THE TOWN OF GEORGINA TRUST FUNDS

DRAFT Notes to Financial Statements

Year ended December 31, 2023

1. Significant accounting policies:

The financial statements of The Corporation of the Town of Georgina Trust Funds are the representation of management prepared in accordance with accounting standards, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and reflect the following policies:

Sources of financing and expenses are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenue as they become available and measurable; expenses are recorded as they are incurred and measurable.

Revenue on the cemetery lots are recognized upon transfer of title of the deed.

Investments are stated at cost.

Adoption of new accounting standards - change in accounting policy:

The Trust Funds adopted the following new public sector accounting standards ("PS") for the year ended December 31, 2023:

- (i) PS 3280, Asset Retirement Obligations; and
- (ii) PS 1201, Financial Statement Presentation, PS 3450, Financial Instruments, and PS 2601, Foreign Currency Translation, PS 3041, Portfolio Investments.

The adoption of these new accounting standards did not have a significant impact on the financial statements of the Trust Funds.

THE CORPORATION OF THE TOWN OF GEORGINA TRUST FUNDS

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

Future accounting pronouncements:

- (i) PS 3160 - Public Private Partnerships ("P3s"), identifies requirements on how to account for and disclose transactions in which public sector entities procure major infrastructure assets and/or services from private sector entities. Recognition of assets arising from P3 arrangements is ultimately dependent on whether public sector entities control the purpose and use of the assets, access to the future economic benefits and exposure to the risks associated with the assets, and significant residual interest in the asset, if any, at the end of the term of P3s. Measurement of the asset and related liability will also be dependent on the overall model used to compensate the private sector entity. This standard is effective for fiscal years beginning on or after April 1, 2023 (the Trust Fund's December 31, 2024 year-end).
- (ii) PS 3400, Revenue, establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. This standard is effective for fiscal years beginning on or after April 1, 2023 (the Trust Fund's December 31, 2024 year-end).
- (iii) Public Sector Guideline 8 Purchased Intangibles, allows public sector entities to recognize intangibles purchased through an exchange transaction. This guideline is effective for fiscal years beginning on or after April 1, 2023 (the Trust Fund's December 31, 2024 year-end).

2. Due from Town of Georgina:

The amount receivable from The Corporation of the Town of Georgina is non-interest bearing and has no set terms of repayment. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

3. Payable to the Province of Ontario:

The amount payable to the Province of Ontario is non-interest bearing and has no set terms of repayment.

THE CORPORATION OF THE TOWN OF GEORGINA TRUST FUNDS

DRAFT Notes to Financial Statements (continued)

Year ended December 31, 2023

4. Cemetery trust funds:

The Town maintains several cemeteries, including the following which have Perpetual Care Trust Funds which the Town administers: Cooke's Cemetery, Johnson Family Cemetery, and Keswick Cemetery. Interest income attributable to each of the individual trust funds that is received during any particular year is transferred to the Town Revenue Fund in that year to partially offset the maintenance cost for each cemetery to which the individual trust funds relate. The operations and investments of the trust funds are undertaken by the Town in accordance with the regulation of the Funeral, Burial and Cremation Services Act, 2002.

5. Boarding Home Contract Program:

The Town maintains a trust fund in accordance with the Ministry of Health Boarding Home Contract Program which provides funds to applicants within the Town for the for the upgrading of existing Boarding Homes in order to meet the Ontario Building Code, Ontario Fire Code and Local Housing Standards.