

**THE CORPORATION OF THE
TOWN OF GRAVENHURST
TRUST FUNDS FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**



INDEPENDENT AUDITORS' REPORT
TRUST FUNDS

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Gravenhurst

Opinion

We have audited the accompanying financial statements of the trust funds of the Corporation of the Town of Gravenhurst which comprise of the statement of financial position as at December 31, 2021 and the statement of financial activities and changes in accumulated surplus 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 trust funds of the Corporation of the Town of Gravenhurst as at December 31, 2021, and its statement of financial activities and changes in accumulated surplus 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 Municipality 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 those 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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 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.



PAHAPILL and ASSOCIATES Chartered Professional Accountants
Professional Corporation

- 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 Municipality'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 Municipality'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 Municipality 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.

Pahapill and Associates

Huntsville, Ontario
June 21, 2022

Pahapill and Associates Professional Corporation
Chartered Professional Accountants
Authorized to practise public accounting by
The Chartered Professional Accountants of Ontario

THE CORPORATION OF THE TOWN OF GRAVENHURST TRUST FUNDS
STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Care and Maintenance	Monument Care	Total 2021	Total 2020
REVENUE				
Interest earned	\$ 4,252	\$ 1,062	\$ 5,314	\$ 7,574
Sale of plots	15,085	-	15,085	18,958
Monument fees	-	3,750	3,750	3,550
TOTAL REVENUE	19,337	4,812	24,149	30,082
EXPENSES				
Transfer to Cemetery operations	4,252	1,062	5,314	7,574
TOTAL EXPENSES	4,252	1,062	5,314	7,574
NET SURPLUS	15,085	3,750	18,835	22,508
OPENING ACCUMULATED SURPLUS	456,043	113,890	569,933	547,425
CLOSING ACCUMULATED SURPLUS	\$ 471,128	\$ 117,640	\$ 588,768	\$ 569,933

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	Care and Maintenance	Monument Care	Total 2021	Total 2020
FINANCIAL ASSETS				
Cash and short term investments	471,128	117,640	588,768	576,644
Due from (to) Town	-	-	-	(6,711)
	\$ 471,128	\$ 117,640	\$ 588,768	\$ 569,933
LIABILITIES AND ACCUMULATED SURPLUS				
Accumulated surplus	471,128	117,640	588,768	569,933
	\$ 471,128	\$ 117,640	\$ 588,768	\$ 569,933

THE CORPORATION OF THE TOWN OF GRAVENHURST TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Corporation of the Town of Gravenhurst Trust Funds are prepared by management in accordance with Canadian public sector accounting standards for local governments as recommended in the Public Sector Accounting Board "PSAB" of the Chartered Professional Accountants Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

(a) Basis of Accounting

(i) Accrual basis of accounting

Sources of financing 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.

(ii) Short term investments

Investments are reported at cost plus accrued interest.

2. CARE AND MAINTENANCE FUND

The Care and Maintenance and Monument Care Funds administered by the Town are funded by the sale of cemetery interment rights and markers. These funds are invested and earnings derived therefrom are used to perform maintenance to the Town's cemeteries. The operations and investments of the fund are undertaken by the Town in accordance with the Regulations of the Funeral, Burial and Cremation Services Act, 2002.

3. INTEREST INCOME

In 2021 \$5,314 (2020 \$7,574) of care and maintenance and monument care interest was earned and transferred to the Town of Gravenhurst cemetery operations.