

**CORPORATION OF THE TOWN OF
GREATER NAPANEE - TRUST FUNDS**

FINANCIAL STATEMENTS
December 31, 2021

Management's Responsibility for the Trust Fund Financial Statements

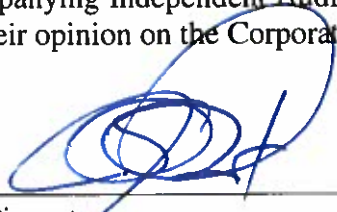
The Trust Fund financial statements of the Corporation of the Town of Greater Napanee are the responsibility of management and have been approved by Council.

The Trust Fund financial statements have been prepared in compliance with Canadian public sector accounting standards for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 2 to the Trust Fund financial statements. The preparation of Trust Fund financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

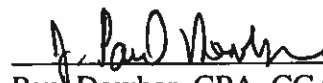
The Corporation's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the Trust Fund financial statements. These systems are monitored and evaluated by management.

The Town Council is responsible for ensuring that management fulfills its responsibilities for financial reporting. Council, through the Audit Committee, reviews the Corporation's Trust Fund financial statements and discusses any significant reporting or internal control matters prior to Council approval of the Trust Fund financial statements.

The Trust Fund financial statements have been audited by Welch LLP, independent external auditors appointed by the Corporation, in accordance with Canadian generally accepted auditing standards. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Corporation's Trust Fund financial statements.



John Pinsent
Chief Administrative Officer



Paul Dowber, CPA, CGA
Treasurer

INDEPENDENT AUDITOR'S REPORT

To the Members of Council of the
CORPORATION OF THE TOWN OF GREATER NAPANEE

Opinion

We have audited the financial statements of the Trust Funds of the Corporation of the Town of Greater Napanee (the Entity), which comprise the statement of financial position as at December 31, 2021, and the statement of financial activities and changes in fund balances for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively 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 of as at December 31, 2021 and the statement of financial activities for the year then ended in accordance with Canadian public sector accounting standards as issued by the Public Sector Accounting Board (PSAB).

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 Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our 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 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 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.

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.



Napanee, Ontario
November 8, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

CORPORATION OF THE TOWN OF GREATER NAPANEE - TRUST FUNDS
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

	<u>Cemetery</u> <u>Trust Fund</u>	<u>2021</u> <u>Total</u>
CURRENT ASSETS		
Cash	\$ 8,957	\$ 8,957
Accounts receivable	<u>654,317</u>	<u>654,317</u>
	<u>\$ 663,274</u>	<u>\$ 663,274</u>
FUND BALANCE		
FUND BALANCE	<u>\$ 663,274</u>	<u>\$ 663,274</u>

(See accompanying notes)

**CORPORATION OF THE TOWN OF GREATER NAPANEE - TRUST FUNDS
STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2021**

	Cemetery <u>Trust Fund</u>	2021 <u>Total</u>
RECEIPTS		
Contributions in transit - note 3	\$ 633,622	\$ 633,622
Care and maintenance	15,595	15,595
Interest earned	<u>14,057</u>	<u>14,057</u>
	<u>663,274</u>	<u>663,274</u>
INCREASE (DECREASE) IN FINANCIAL ASSETS	663,274	663,274
FUND BALANCE , beginning of year	<u>-</u>	<u>-</u>
FUND BALANCE , end of year	<u>\$ 663,274</u>	<u>\$ 663,274</u>

(See accompanying notes)

CORPORATION OF THE TOWN OF GREATER NAPANEE - TRUST FUNDS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

1. PURPOSE OF TRUST FUNDS

The Cemetery Trust was established for the purpose of providing funding for the care and maintenance and monuments of Napanee Riverview Cemetery and the Napanee Riverside Cemetery. The Town of Greater Napanee is required to pay prescribed amounts into this fund and to receive investment income from this fund for use in the upkeep of the cemeteries.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Revenue and expenditures are recorded on an accrual basis of accounting.

The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized in the period in which they are incurred and measurable and a legal obligation to pay.

Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the period. Actual results could differ from those estimates.

3. TRANSFER OF CARE AND MAINTENANCE TRUST FUND

On December 15, 2021 the Bereavement Authority of Ontario approved the transfer of the care and maintenance trust fund to the Town of Greater Napanee.

4. STATEMENT OF CASH FLOWS

A statement of cash flows has not been included in these financial statements as the information is readily determinable.