

The Corporation of the
Municipality of Meaford
Trust Funds
For the year ended December 31, 2020

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Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers
of the Corporation of the Municipality of Meaford

Opinion

We have audited the accompanying financial information for the trust funds of the Corporation of the Municipality of Meaford Trust Funds, (Trust Funds) which comprise the balance sheet as at December 31, 2020, and the statement of continuity for the year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial information presents fairly, in all material respects, the balance sheet for the Trust Funds as at December 31, 2020, and the statement of continuity 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 Information section of our report. We are independent of the Trust Funds in accordance with the ethical requirements that are relevant to our audit of this financial information 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 Information

Management is responsible for the preparation and fair presentation of this financial information in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

In preparing the financial information, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the financial information as a whole is 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 this financial information.

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 information, 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 organization'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 organization'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 information 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 organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial information, including the disclosures, and whether the financial information represents 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.

Chartered Professional Accountants, Licensed Public Accountants

Owen Sound, Ontario
June 8, 2021

The Corporation of the Municipality of Meaford
Trust Funds
Balance Sheet

December 31, 2020

	Total	Cemetery Care and Maintenance	Ontario Home Renewal Program
Assets			
Cash	\$ 129,628	\$ 129,628	\$ -
Investments (Note 2)	603,054	603,054	-
Loans receivable (Note 3)	2,100	-	2,100
	<u>734,782</u>	<u>732,682</u>	<u>2,100</u>
Liabilities			
Due to general account	6,493	6,493	-
	<u>6,493</u>	<u>6,493</u>	<u>-</u>
Fund balance	<u>\$ 728,289</u>	<u>\$ 726,189</u>	<u>\$ 2,100</u>

Statement of Continuity

For the year ended December 31, 2020

	Total	Cemetery Care and Maintenance	Ontario Home Renewal Program
Balance, beginning of the year	\$ 715,655	\$ 713,555	\$ 2,100
Receipts			
Perpetual care	12,634	12,634	-
Interest earned	19,128	19,128	-
	<u>31,762</u>	<u>31,762</u>	<u>-</u>
Expenses			
Transfer to municipality	19,128	19,128	-
Balance, end of the year	<u>\$ 728,289</u>	<u>\$ 726,189</u>	<u>\$ 2,100</u>

The Corporation of the Municipality of Meaford
Trust Funds
Notes to Financial Information

December 31, 2020

1. Summary of Significant Accounting Policies

Management Responsibility	The management of the Corporation of the Municipality of Meaford is responsible for the integrity, objectivity and accuracy of this financial information. Council reviews and approves the financial information.
Basis of Accounting	<p>The financial information of the Corporation of the Municipality of Meaford Trust Funds are the representation of management. They have been prepared by management in accordance with public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada as prescribed by the Ontario Ministry of Municipal Affairs and Housing.</p> <p>Revenue 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.</p>
Use of Estimates	The preparation of financial information in accordance with Canadian public sector accounting standards requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial information, and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from management's best estimates as additional information becomes available in the future.
Basis of Consolidation	These trust funds have not been consolidated with the financial statements of the municipality.

The Corporation of the Municipality of Meaford
Trust Funds
Notes to Financial Information

December 31, 2020

2. Investments

The total investments of \$603,054 reported on the balance sheet at cost have a market value of \$603,054 at the end of the year.

3. Ontario Home Renewal Program

The Ontario Home Renewal Program was established by the Ontario Ministry of Housing in 1973 to provide grants for municipalities to make loans to assist owner occupants to repair, rehabilitate and improve their homes to local property standards. Individual loans were limited to \$7,500, of which the maximum forgivable portion was \$4,000.

Ontario Home Renewal Program loans receivable at December 31, 2020 comprise repayable loans of \$2,100 (2019 - \$2,100) and forgivable loans of \$Nil (2019 - \$Nil). Loan forgiveness is earned and recorded at a rate of up to \$600 per year of continuous ownership and occupancy. In the event of the sale or lease of the home or in the event of the homeowner ceasing to occupy the home, the balance of the repayable loan and the unearned forgivable loan immediately becomes due and payable by the homeowner.

As of July 16, 1993 the Ontario Home Renewal Program was discontinued and municipalities were prohibited from issuing further loans as of that date. All OHRP funds held in municipal trust accounts as of December 31, 1993 were remitted to the Province by March 1, 1994. Any loans receivable under the program which are collected subsequent to December 31, 1993 were remitted to the Province by March 1 of the following year. However, municipalities will be provided an administration fee of five per cent of the balances collected after December 31, 1993 and are permitted to retain the interest earned on unremitted OHRP trust account balances.
