

Financial statements of

**Town of Newmarket
Trust Fund**

December 31, 2017

Town of Newmarket Trust Fund

December 31, 2017

Table of contents

Independent Auditor’s Report 1-2

Statement of financial activities and fund balance 3

Statement of financial position 3

Statement of cash flows 4

Notes to the financial statements 5

Independent Auditor's Report

To the Mayor and Members of Council of the Corporation of the Town of Newmarket

We have audited the accompanying financial statements of the Town of Newmarket Trust Fund, which comprise the statement of financial position as at December 31, 2017, the statements of financial activities and fund balance and of cash flow 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 accounting standards for not-for-profit organizations, 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.

Auditor's 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 evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Town of Newmarket Trust Fund as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The statement of financial position as at December 31, 2016 and the statements of financial activities and fund balance and of cash flows for the year then ended were audited by another auditor who issued an unqualified opinion on June 26, 2017.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
June 18, 2018

**THE CORPORATION OF THE TOWN OF NEWMARKET
TRUST FUND**

Statement of Financial Activities and Fund Balance

Year ended December 31, 2017

	2017	2016
REVENUES		
Interest	\$ 1,686	\$ 1,226
Investment Income	3,340	4,700
Total revenues	5,026	5,926
EXPENSES		
Transfer to the Town of Newmarket	70,895	-
Total expenses	70,895	-
ANNUAL (DEFICIT) SURPLUS	(65,869)	5,926
FUND BALANCE, BEGINNING OF YEAR	329,333	323,407
FUND BALANCE, END OF YEAR	\$ 263,464	\$ 329,333

Statement of Financial Position

As at December 31, 2017

	2017	2016
ASSETS		
Cash	\$ 142,517	\$ 147,856
Investment interest receivable	947	1,477
Investments (Note 4)	120,000	180,000
Fund Balance (Note 3)	\$ 263,464	\$ 329,333

The accompanying notes are an integral part of these financial statements.

THE CORPORATION OF THE TOWN OF NEWMARKET TRUST FUND

Statement of Cash Flows

Year ended December 31, 2017

	<u>2017</u>	<u>2016</u>
Cash received from		
Interest	\$ 1,686	\$ 1,226
Investment Income	3,870	5,160
	<u>5,556</u>	<u>6,386</u>
Cash paid for		
Transfer to the Town of Newmarket	70,895	-
	<u>70,895</u>	<u>-</u>
Net change in cash from operating activities	(65,339)	6,386
Financing Activity		
Proceeds on maturity of investment	60,000	60,000
	<u>60,000</u>	<u>60,000</u>
Net change in cash from financing activity	60,000	60,000
Net Change In Cash	(5,339)	66,386
Cash, Beginning of Year	147,856	81,470
Cash, End of Year	\$ 142,517	\$ 147,856

The accompanying notes are an integral part of these financial statements.

THE CORPORATION OF THE TOWN OF NEWMARKET TRUST FUND

Notes to the Financial Statements

December 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Trust Fund are the representation of management prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following policies:

Revenues 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 the receipt of goods or services and the creation of a legal obligation to pay.

2. CHANGE IN ACCOUNTING FRAMEWORK

These financial statements were previously prepared in accordance with Canadian Public Sector Accounting Standards. This Trust Fund is administered by the Town of Newmarket. However, since these funds are held by the Town of Newmarket for the benefits of others, Canadian accounting standards for not-for-profit organizations was used in preparing the financial statements. This change did not impact the recognition, measurement or disclosure of the comparative amounts.

3. ELMAN W. CAMPBELL MUSEUM TRUST

The Elman W. Campbell Museum Trust, being the only trust administered by the Town of Newmarket, was established as a result of the last Will and Testament of Elman W. Campbell in 1988. Operating expenses of the Museum are paid for by the Town of Newmarket and the Town receives no remuneration for administering the Fund. Eighty percent (80%) of the interest earned by the trust can be used to offset certain maintenance costs of the Museum after the capital requirements for the year have been met. During 2017, the Trust Fund transferred \$70,895 to the Town of Newmarket for the cost of a mobile shelving unit that the Museum purchased.

4. INVESTMENTS

Investments are recorded at the lower of cost and market value.

	2017	2016
Guaranteed investment certificate	\$ 120,000	\$180,000

Non-redeemable guaranteed investment certificate, interest at 2.15%, matures August, 2019, \$60,000 of principal amount maturing annually on each anniversary date.

5. USE OF ESTIMATES

The preparation of financial statements in conforming with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts in the financial statements. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.