

**THE CORPORATION OF THE
TOWNSHIP OF PERTH EAST - TRUST FUNDS
FINANCIAL STATEMENTS
DECEMBER 31, 2022**

SEEBACH & COMPANY
Chartered Professional Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers
of the Corporation of the Township of Perth East

Opinion

We have audited the accompanying financial statements of the trust funds of the Corporation of the Township of Perth East ("the Municipality"), which are comprised of the balance sheet as at December 31, 2022 and the statement of operations of trust funds 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 Municipality as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (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 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 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 PSAB, 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 related 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 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.

INDEPENDENT AUDITOR'S REPORT (continued)

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 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 consolidated financial statements, including the disclosures, and whether the consolidated 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.

Seebach & Company

Chartered Professional Accountants
Licensed Public Accountants

Clinton, Ontario
June 20, 2023

**THE CORPORATION OF THE TOWNSHIP OF PERTH EAST
TRUST FUNDS**

BALANCE SHEET

As at December 31, 2022	2022	2021
Assets		
Cash	11,924	55,524
Investments (note 1)	789,404	749,125
Accrued interest receivable	545	5,183
Due from Township of Perth East	10,609	-
	<u>\$ 812,482</u>	<u>\$ 809,832</u>
Liabilities		
Due to Township of Perth East	-	8,459
Fund balance	<u>812,482</u>	<u>801,373</u>
Trust fund balances	<u>\$ 812,482</u>	<u>\$ 809,832</u>

STATEMENT OF CONTINUITY

For the Year Ended December 31, 2022	South Easthope Cemetery	Greenwood Cemetery Care and Maintenance	Greenwood Cemetery Seelhoff Bequest	Knox Wesley Cemetery	Linglebach Cemetery	North Mornington Cemetery	Security, Site Deposits and Building Betterment	2021
Receipts								
Perpetual care and maintenance	-	8,898	-	-	400	-	-	5,835
Investment income	245	3,428	588	277	466	963	-	7,603
Contribution from Township of Perth East	245	12,326	14,016	277	866	963	-	10,806
		<u>15,203</u>	<u>23,430</u>	<u>554</u>	<u>1,732</u>	<u>1,926</u>	<u>12,205</u>	<u>24,244</u>
Expenditure								
Transfers to general - cemetery	245	3,428	588	277	466	963	-	7,603
Transfers to developers	245	3,428	588	277	466	963	12,205	-
		<u>15,203</u>	<u>23,430</u>	<u>554</u>	<u>1,732</u>	<u>1,926</u>	<u>12,205</u>	<u>7,603</u>
Excess of receipts over expenditures for the year	-	8,898	14,016	-	400	-	(12,205)	16,641
Fund balance, beginning of year	15,203	212,894	458,527	13,824	28,931	59,789	12,205	784,732
Fund balance, end of year	<u>\$ 15,203</u>	<u>\$ 221,792</u>	<u>\$ 472,543</u>	<u>\$ 13,824</u>	<u>\$ 29,331</u>	<u>\$ 59,789</u>	<u>\$ 0</u>	<u>\$ 801,373</u>

THE CORPORATION OF THE TOWNSHIP OF PERTH EAST
TRUST FUNDS
NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2022

1. Accounting Policies

Significant aspects of accounting policies adopted by the municipality are as follows:

a) Management responsibility

The financial statements of the trust funds are the representations of management. They have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada as prescribed by the Ministry of Municipal Affairs and Housing for municipalities and their related entities.

b) Basis of accounting

Capital receipts and income are reported on the cash basis of accounting. Expenditures are reported on the cash basis of accounting with the exception of administration expenses which are reported on the accrual basis of accounting, which recognizes expenditures as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

c) Investments

Investments are recorded at cost less amounts written off to reflect a permanent decline in value.

e) Use of estimates

The preparation of financial statements 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 statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Investments

Trust fund investments have a market value of \$779,505 (2021 : \$754,731).