



Financial Statements

The Corporation of the Municipality of Huron Shores
Trust Funds

December 31, 2012

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Independent auditor's report

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To the Members of Council, Inhabitants and Ratepayers of
The Corporation of the Municipality of Huron Shores

We have audited the accompanying financial statements of The Corporation of the Municipality of Huron Shores Trust Funds, which comprise the statement of financial position as at December 31, 2012, the statement of operations and cash flows 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 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.

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 audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 Organization'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 Organization'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 Corporation of the Municipality of Huron Shores Trust Funds as at December 31, 2012, and the results of its operations for the year then ended in accordance with Canadian public sector accounting standards.

Sault Ste. Marie, Canada

May 8, 2013

Grant Thornton LLP

Chartered accountants
Licensed public accountants

The Corporation of the Municipality of Huron Shores

Trust Funds

Statement of Financial Position

As at December 31

2012

2011

	<u>OHRP</u>	<u>Perpetual Care</u>	<u>Total</u>	<u>Total</u>
Financial assets				
Cash	\$ -	\$ 973	\$ 973	\$ 8,173
Investments	-	39,500	39,500	30,300
Due from Cemetery Board	-	700	700	2,000
Loans receivable	<u>2,428</u>	<u>-</u>	<u>2,428</u>	<u>2,428</u>
	2,428	41,173	43,601	42,901
Liabilities				
Due to Cemetery Fund	<u>-</u>	<u>682</u>	<u>682</u>	<u>682</u>
Accumulated surplus	<u>\$ 2,428</u>	<u>\$ 40,491</u>	<u>\$ 42,919</u>	<u>\$ 42,219</u>

On behalf of Municipal Council

_____ Mayor _____ Councillor

See accompanying notes to the financial statements.

The Corporation of the Municipality of Huron Shores

Trust Funds

Statement of Operations

For the Year Ended December 31

2012

2011

	<u>OHRP</u>	<u>Perpetual Care</u>	<u>Total</u>	<u>Total</u>
Revenue				
Interest	\$ -	\$ 682	\$ 682	\$ 682
Perpetual care receipts	-	700	700	2,000
	<u>-</u>	<u>1,382</u>	<u>1,382</u>	<u>2,682</u>
Expenses				
Transfer of interest to the Cemetery Operating Fund	-	682	682	682
Administration	-	-	-	-
	<u>-</u>	<u>682</u>	<u>682</u>	<u>682</u>
Annual surplus	-	700	700	2,000
Accumulated surplus				
Beginning of the year	<u>2,428</u>	<u>39,791</u>	<u>42,219</u>	<u>40,219</u>
End of the year	<u>\$ 2,428</u>	<u>\$ 40,491</u>	<u>\$ 42,919</u>	<u>\$ 42,219</u>

See accompanying notes to the financial statements.

The Corporation of the Municipality of Huron Shores

Trust Funds

Statement of Cash Flows

For the Year Ended December 31

2012

2011

Cash flows from operating transactions

Annual surplus	\$ 700	\$ 2,000
Non-cash charges to operations		
Change in due from Cemetery Board	1,300	(800)
Change in due to Cemetery Fund	<u>-</u>	<u>150</u>
Net change in cash	2,000	1,350
Cash, beginning of year	<u>38,473</u>	<u>37,123</u>
Cash, end of year	<u>\$ 40,473</u>	<u>\$ 38,473</u>

Cash is represented by:

Cash	\$ 973	\$ 8,173
Investments	<u>39,500</u>	<u>30,300</u>
	<u>\$ 40,473</u>	<u>\$ 38,473</u>

See accompanying notes to the financial statements.

The Corporation of the Municipality of Huron Shores Trust Funds

Notes to the Financial Statements

For the Year Ended December 31, 2012

1. Significant accounting policies

The financial statements of The Corporation of the Municipality of Huron Shores Trust Funds are prepared by management prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Reporting entity

The financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity.

(b) Basis of accounting

The basis of accounting followed is the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period the goods and services are acquired.

(c) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

(d) Revenue recognition

Contribution from the municipality is recognized when received. Interest is recognized when earned.

(e) Investment

Investments are carried at cost, which approximates market value.

2. Cash

Cash is represented by funds on deposit in chartered banks, plus any accrued interest.

3. Investments

The total investments by the trust funds of \$39,500 (2011: \$30,300) reported on the Statement of Financial Position at cost, have a market value of \$39,500 (2011: \$30,300) at the end of the year.

The Corporation of the Municipality of Huron Shores

Trust Funds

Notes to the Financial Statements

For the Year Ended December 31, 2012

4. Ontario Home Renewal Program Fund (O.H.R.P.)

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 are limited to \$7,500 of which the maximum forgivable portion is \$4,000.

Ontario Home Renewal Program loans receivable at December 31, are repayable by the owner occupant. In the event of the sale of lease of the home, or in the event of the homeowner ceasing to occupy the home, the balances of the loan immediately becomes due and payable.

The OHRP program was discontinued by the Ontario Ministry of Housing in July 1993. At that time, the Ministry requested the repayment of all trust funds held by the Municipality. The cash accumulated in the trust fund is being repaid to the Ministry on an annual basis.

5. Perpetual Care Fund

The Perpetual Care Fund administered by the Municipality is funded by the sale of cemetery plots. These funds are invested and earnings derived from these investments are used to perform perpetual care maintenance to the Municipality's cemeteries. The operations and investments of the Fund are undertaken by the Municipality in accordance with the regulations of the Cemeteries Act.