



Trust Funds

Financial Statements

Year Ended December 31, 2019



KPMG LLP
115 King Street South
2nd Floor
Waterloo ON N2J 5A3
Canada
Tel 519 747-8800
Fax 519 747-8830

INDEPENDENT AUDITORS' REPORT

To the Mayor and Members of Council, Inhabitants and Ratepayers of the Corporation of the City of Cambridge

Opinion

We have audited the financial statements of the Trust Funds of the Corporation of the City of Cambridge (the Entity), which comprise:

- the statement of the financial position as at December 31, 2019
- the statement of continuity for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter 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 as at December 31, 2019, 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

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



Other Matter – Comparative Information

The financial statements for the year ended December 31, 2018 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 23, 2019.

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.

Auditors' 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 auditors' 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 the 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.



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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 auditors' 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 auditors' 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada
May 19, 2020

Trust Funds Financial Position
As at December 31, 2019

	2019	2018
Assets		
Cash and term deposits	\$ 490,878	\$ 964,316
Interest receivable	135,412	126,785
	626,290	1,091,101
Investments (Note 2)	10,253,928	9,270,434
	10,880,218	10,361,535
Liabilities		
Payable to revenue fund	138,655	146,404
Fund balances	10,741,563	10,215,131
	\$ 10,880,218	\$ 10,361,535

The explanatory financial notes form an integral part of these financial statements

	Cemetery Care and Maintenance Fund	Cemetery Care and Maintenance Monuments	Cemetery Charges Prepaid	Election Surplus
Balance at the beginning of the year	\$ 6,108,409	\$ 548,525	\$ 3,204,173	\$ 4,155
Receipts				
Sale of land	342,517	15,900	129,447	
Contributions received				
Interest earned	164,419	14,577	83,789	109
	506,936	30,477	213,236	109
Expenditures				
Contributions to revenue fund	164,419	14,577	138,071	
Transfer to other				
	164,419	14,577	138,071	
Balance at the end of the year	\$ 6,450,926	\$ 564,425	\$ 3,279,338	\$ 4,264

The explanatory financial notes form an integral part of these financial statements



Trust Funds Statement of Continuity
For the year ended December 31, 2019

	Arthur White Scholarship Fund	C.I.T.C. Training Cambridge	Arts Guild Improvement	Cambridge Arts Guild
Balance at the beginning of the year	\$ 15,444	\$ 16,760	\$ 43,445	545
Receipts				
Sale of land				
Contributions received			6,600	
Interest earned	392	439	1,190	14
	392	439	7,790	14
Expenditures				
Contributions to revenue fund				
Transfer to other	400			
	400			
Balance at the end of the year	\$ 15,436	\$ 17,199	\$ 51,235	\$ 559

The explanatory financial notes form an integral part of these financial statements



Trust Funds Statement of Continuity
For the year ended December 31, 2019

	Prepaid Rent	School of Architecture Bursary	Ancient Mariners Canoe Club Fund	Allan Reuter Centre Renovation
Balance at the beginning of the year	\$ 9,884	\$ 52,903	\$ 20,457	\$ 21,768
Receipts				
Sale of land				
Contributions received			6,800	10,000
Interest earned	259	1,386	574	669
	259	1,386	7,374	10,669
Expenditures				
Contributions to revenue fund				
Transfer to other				2,562
				2,562
Balance at the end of the year	\$ 10,143	\$ 54,289	\$ 27,831	\$ 29,875

The explanatory financial notes form an integral part of these financial statements



Trust Funds Statement of Continuity
For the year ended December 31, 2019

	Fiddlesticks Neighbourhood Association	Cambridge Rowing Club	David Durward Centre	G.E. (Ted) Wake Lounge Seniors Fund
Balance at the beginning of the year	\$ 120,539	\$ 1,458	\$ 33,353	\$ 13,313
Receipts				
Sale of land				
Contributions received	60,000		6,000	
Interest earned	4,319	38	970	349
	64,319	38	6,970	349
Expenditures				
Contributions to revenue fund			4,296	
Transfer to other			4,296	
			4,296	
Balance at the end of the year	\$ 184,858	\$ 1,496	\$ 36,027	\$ 13,662

The explanatory financial notes form an integral part of these financial statements



Trust Funds Statement of Continuity
For the year ended December 31, 2019

	Total
Balance at the beginning of the year	10,215,131
Receipts	
Sale of land	487,864
Contributions received	89,400
Interest earned	273,493
	850,757
Expenditures	
Contributions to revenue fund	317,067
Transfer to other	7,258
	324,325
Balance at the end of the year	\$ 10,741,563

The explanatory financial notes form an integral part of these financial statements

1. Accounting policies

The financial statements of the Trust Funds of the Corporation of the City of Cambridge are the representation of management prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(a) 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 administrative expenses, which are reported on the accrual basis of accounting, which recognizes expenditures, 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.

The Trust Funds have acquired no 'tangible capital assets' as defined by Section 3150 of the Chartered Professional Accountants of Canada Public Sector Accounting Handbook.

(b) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. These estimates and assumptions are based on management's best information and judgement and may differ significantly from future actual results.

2. Investments

Investments, comprised of municipal and provincial bonds and bank term deposits with varying maturity dates, bear interest at rates ranging from 2.2% to 4.00%, are reported at cost amounting to \$10,253,928 (\$9,270,434 in 2018), and have a market value of \$10,270,574 (\$9,207,330 2018).

3. Comparative figures

Certain of the prior year's comparative figures have been restated to conform to the current year's presentation.

4. Prior period adjustment

During the year, it was determined that there were certain trust funds previously reported that were controlled by the City of Cambridge.

The Corporation implemented this change retrospectively. The impact of the change is as follows:

	As presented	Restatements	As restated
Statement of Financial Position			
As at December 31, 2018			
Cash and term deposits	\$ 1,059,873	\$ (95,557)	\$ 964,316
Investments	10,189,069	(918,635)	9,270,434
Payable to revenue fund	148,345	(1,941)	146,404
Fund balances	11,227,382	(1,012,251)	10,215,131

4. Prior period adjustment - Continued

	As presented	Restatements	As restated
Statement of Continuity			
For the year ended December 31, 2018			
Balance at the end of year:			
Archives Trust Fund	\$ 29,234	\$ (29,234)	\$ -
Arthur White Sports Bursary	85,371	(85,371)	-
Bernice Adams Memorial Fund	68,015	(68,015)	-
C.I.T.C. Mayors Award	5,435	(5,435)	-
Heritage River Trail	71,931	(71,931)	-
Library Donation Trust	381,824	(381,824)	-
Library Art Acquisition	198,860	(198,860)	-
Trans Canada Trail Pavilion	11,379	(11,379)	-
Natural Heritage Trust Fund	20,541	(20,541)	-
Scott Thompson Athletic Fund	36,633	(36,633)	-
Bill Struck Memorial Fund	5,825	(5,825)	-
Lions Can-Amara Sports Bursary	74,890	(74,890)	-
Horticulture Fund	13,219	(13,219)	-
Arts Connect	9,094	(9,094)	-
Total	\$ 1,012,251	\$ (1,012,251)	\$ -