

Township of Jocelyn
Consolidated Financial Statements
For the year ended December 31, 2018

Township of Jocelyn
Consolidated Financial Statements
For the year ended December 31, 2018

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Township of Jocelyn Management's Responsibility for Financial Reporting

December 31, 2018

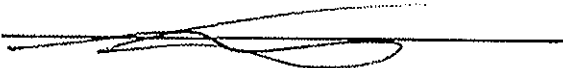
The accompanying consolidated financial statements of Township of Jocelyn are the responsibility of management and have been approved by the Reeve and Treasurer on behalf of Council.

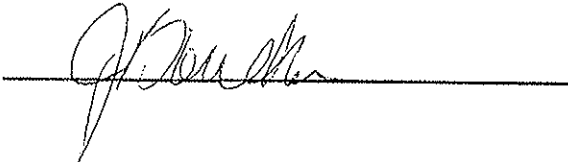
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The municipality maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the municipality's assets are appropriately accounted for and adequately safeguarded.

The municipal Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers and inhabitants of the municipality. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the municipality's consolidated financial statements.


Reeve


Clerk-Treasurer



Tel: 705-945-0990
Fax: 705-942-7979
Toll-Free: 800-520-3005
www.bdo.ca

BDO Canada LLP
747 Queen Street E
PO Box 1109
Sault Ste. Marie ON P6A 5N7 Canada

Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of Township of Jocelyn

Opinion

We have audited the consolidated financial statements of Township of Jocelyn (the Township), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Township as at December 31, 2018, and its consolidated results of operations, its consolidated change in net financial assets, and its consolidated cash flows 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 Consolidated Financial Statements* section of our report. We are independent of the Township 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Township'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 Township'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 consolidated 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 Township 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Township to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

BDO Canada LLP

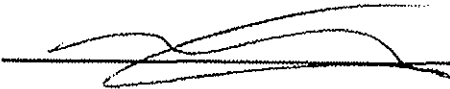
Chartered Professional Accountants, Licensed Public Accountants

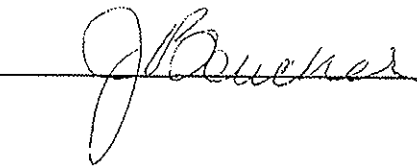
Sault Ste. Marie, Ontario
June 4, 2019

Township of Jocelyn
Consolidated Statement of Financial Position

December 31	2018	2017
Financial assets		
Cash and short term investments	\$ 811,997	\$ 718,265
Taxes receivable	74,726	62,569
Accounts receivable	91,456	81,586
	978,179	862,420
Liabilities		
Accounts payable and accrued liabilities	67,151	66,568
Deferred revenue (Note 4)	50,370	15,104
Accrued landfill closure and post-closure costs (Note 6)	163,000	155,000
Long term debt (Note 5)	78,269	102,862
	358,790	339,534
Net financial assets	619,389	522,886
Non-financial assets		
Tangible capital assets (Schedule 1)	2,044,759	2,069,790
Accumulated surplus (Note 3)	\$ 2,664,148	\$ 2,592,676

On behalf of the Council:


 _____ Reeve


 _____ Clerk-Treasurer

Township of Jocelyn
Consolidated Statement of Operations

For the year ended December 31	Budget	2018	2017
Revenue			
Taxation (Note 2)	\$ 706,449	\$ 710,355	\$ 672,625
Government grants - Provincial	417,462	399,185	442,653
Government grants - Federal	16,411	3,270	46,664
Other municipalities	1,623	1,869	1,698
User fees and service charges	40,095	36,350	33,233
Licences, permits and rents	5,160	5,097	2,374
Penalties and interest on taxes	11,561	12,198	11,123
Investment income	10,250	11,461	6,742
Gain on disposal of tangible capital assets and other	-	17,258	300
	<u>1,209,011</u>	<u>1,197,043</u>	<u>1,217,412</u>
Expenses			
General government	231,979	229,481	205,631
Protection services	171,437	173,036	160,407
Transportation services	263,710	294,317	228,353
Environmental services	67,177	66,041	71,146
Health services	144,786	144,274	129,140
Social and family services	142,641	142,641	144,120
Recreation and cultural services	76,222	68,001	68,180
Planning and development	9,002	7,780	8,649
	<u>1,106,954</u>	<u>1,125,571</u>	<u>1,015,626</u>
Annual surplus	102,057	71,472	201,786
Accumulated surplus, beginning of year	<u>2,592,676</u>	<u>2,592,676</u>	<u>2,390,890</u>
Accumulated surplus, end of year	<u>\$ 2,694,733</u>	<u>\$ 2,664,148</u>	<u>\$ 2,592,676</u>

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

Township of Jocelyn
Consolidated Statement of Changes in Net Financial Assets

<u>For the year ended December 31</u>	<u>Budget</u>	<u>2018</u>	<u>2017</u>
Annual surplus	\$ 102,057	\$ 71,472	\$ 201,786
Acquisition of tangible capital assets	(275,605)	(112,356)	(245,543)
Amortization of tangible capital assets	146,833	137,387	130,293
Net change in net financial assets	(26,715)	96,503	86,536
Net financial assets, beginning of year	522,886	522,886	436,350
Net financial assets, end of year	\$ 496,171	\$ 619,389	\$ 522,886

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

Township of Jocelyn
Consolidated Statement of Cash Flows

For the year ended December 31

2018

2017

Operating transactions		
Annual surplus	\$ 71,472	\$ 201,786
Item not involving cash		
Amortization	<u>137,387</u>	<u>130,293</u>
	208,859	332,079
Changes in non-cash operating balances		
Taxes receivable	(12,157)	(1,610)
Accounts receivable	(9,870)	12,206
Accounts payable and accrued liabilities	583	(19,495)
Deferred revenue	35,266	(27,361)
Accrued landfill closure and post-closure costs	<u>8,000</u>	<u>6,300</u>
	230,681	302,119
Capital transactions		
Acquisition of tangible capital assets	(112,356)	(245,543)
Financing activities		
Repayment of long term debt	<u>(24,593)</u>	<u>(23,877)</u>
Net change in cash and cash equivalents	93,732	32,699
Cash and cash equivalents, beginning of year	<u>718,265</u>	<u>685,566</u>
Cash and cash equivalents, end of year	\$ 811,997	\$ 718,265

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

Township of Jocelyn
Notes to Consolidated Financial Statements

December 31, 2018

1. Significant accounting policies

Basis of Accounting	The consolidated financial statements of the municipality have been prepared in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.												
Basis of Consolidation	<p>These consolidated statements reflect the assets, liabilities, sources of financing and expenses of all municipal organizations, committees and boards which are owned or controlled by the municipality.</p> <p>In addition the St. Joseph Island Museum Board, a joint local board, has been proportionately consolidated at 19.13%.</p>												
Cash and Cash Equivalents	Management considers all highly liquid investments that are redeemable or with maturity dates of twelve months or less to be cash equivalents.												
Tangible Capital Assets	<p>Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:</p> <table><tr><td>Land improvements</td><td>25 to 50 years</td></tr><tr><td>Buildings</td><td>25 to 50 years</td></tr><tr><td>Machinery and equipment</td><td>5 to 30 years</td></tr><tr><td>Vehicles</td><td>10 to 25 years</td></tr><tr><td>Furnishings and fixtures</td><td>5 to 20 years</td></tr><tr><td>Infrastructure</td><td>10 to 25 years</td></tr></table>	Land improvements	25 to 50 years	Buildings	25 to 50 years	Machinery and equipment	5 to 30 years	Vehicles	10 to 25 years	Furnishings and fixtures	5 to 20 years	Infrastructure	10 to 25 years
Land improvements	25 to 50 years												
Buildings	25 to 50 years												
Machinery and equipment	5 to 30 years												
Vehicles	10 to 25 years												
Furnishings and fixtures	5 to 20 years												
Infrastructure	10 to 25 years												
Collection of Taxes on Behalf of other Taxation Authorities	The municipality collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these other entities are not reflected in these consolidated financial statements.												
Deferred Revenue	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.												
Trust Funds	Funds held in trust by the municipality and their related operations are not included in these consolidated financial statements. The financial activity and financial position of the trust funds are reported separately.												

Township of Jocelyn
Notes to Consolidated Financial Statements

December 31, 2018

1. Significant accounting policies (continued)

Government Transfers	Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.
Revenue Recognition	Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized, and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts. Sales of service and other revenue is recognized on an accrual basis.
Solid Waste Landfills	The estimated costs to close and maintain solid waste landfill sites are based on estimated future expenses in current dollars, discounted, adjusted for estimated inflation, and are charged to expense as the landfill site's capacity is used. Future events may result in significant changes to the estimated total expenses, capacity used, or total capacity and the estimated liability and would be recognized prospectively, as a change in estimate, when applicable.
Use of Estimates	The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of 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 management's best estimates as additional information becomes available in the future.

2. Taxation

	<u>2018</u>	<u>2017</u>
Residential and farm taxation	\$ 800,883	\$ 761,904
Commercial and industrial taxation	34,163	34,382
Taxation from other governments	11,896	12,083
	<u>846,942</u>	<u>808,369</u>
Deduct: amounts received or receivable for school boards	<u>(136,587)</u>	<u>(135,744)</u>
	<u>\$ 710,355</u>	<u>\$ 672,625</u>

Township of Jocelyn
Notes to Consolidated Financial Statements

December 31, 2018

3. Accumulated surplus

	2018	2017
Reserves set aside for specific purposes by Council		
Working funds	\$ 156,170	\$ 154,010
Municipal maintenance	59,659	59,659
Municipal elections	-	4,949
Office equipment	453	453
Fire truck loan repayment	27,629	27,629
Roads	106,628	56,791
Roads - winter control	62,934	62,934
Landfill	13,835	13,835
Museum operations	587	405
Planning	7,581	7,581
Pay equity	1,326	1,326
Tangible capital asset replacement	176,103	176,103
Health	5,000	5,000
	617,905	570,675
Reserve funds set aside for specific purposes by Council		
Fire department	56,186	40,864
Cemetery	14,542	13,176
Recreation Committee	65,904	60,126
Museum building	24,588	22,551
Other	9,033	8,856
	170,253	145,573
Total reserves and reserve funds	788,158	716,248
Equity in tangible capital assets	1,966,490	1,966,928
Unfunded landfill liabilities	(90,500)	(90,500)
	\$ 2,664,148	\$ 2,592,676

Allocation of annual surplus (deficit):

	2018	2017
Reserves and reserve funds	\$ 71,910	\$ 62,659
Equity in tangible capital assets	(438)	139,127
	\$ 71,472	\$ 201,786

Township of Jocelyn
Notes to Consolidated Financial Statements

December 31, 2018

4. Deferred revenue

	Opening balance	Contributions Received	Externally restricted investment income	Revenue Recognized	Ending balance
Gas tax	\$ 570	\$ 15,097	\$ 8	\$ -	\$ 15,675
Revitalization	-	37,922	-	(18,050)	19,872
Obligatory parks	14,534	-	289	-	14,823
	<u>15,104</u>	<u>53,019</u>	<u>\$ 297</u>	<u>\$ (18,050)</u>	<u>\$ 50,370</u>

5. Long term debt

	2018	2017
Ontario Infrastructure and Lands Corporation debenture, repayable \$13,729 semi-annually including interest at 2.96%, maturing December 2021	<u>\$ 78,269</u>	<u>\$ 102,862</u>

Principal repayments over the next five years are as follows:

Year	Amount
2019	\$ 25,326
2020	26,082
2021	<u>26,861</u>
	<u>\$ 78,269</u>

6. Landfill closure and post-closure costs

Solid waste closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, removal of ground water and leachates, and ongoing environmental monitoring, site inspection and maintenance.

The present value of the municipality's estimated future liability for this expense is recognized as the landfill site's capacity is used. The liability and annual expense is calculated based on the ratio of utilization to total capacity of the landfill site and the discounted estimated cash flows associated with closure and post-closure activities. The reported liability reflects a discount rate of 2.96%.

The liability is based on estimates and assumptions related to events extending over the remaining life of the landfill. The landfill is expected to reach its capacity in 36 years and the estimated remaining capacity is 16,550 cubic metres (2017 - 17,000) of the site's total capacity. The estimated length of time needed for post-closure care is 30 years.

It is estimated that the total net present value of the cost to close and maintain the landfill site is \$278,175 (2017 - \$269,800), of which \$163,000 (2017 - \$155,000) has been recognized to December 31, 2018 based on the 58.6% (2016 - 57.5%) cumulative capacity used at that date.

Township of Jocelyn
Notes to Consolidated Financial Statements

December 31, 2018

7. Credit facility

The Township of Jocelyn has a \$150,000 bank operating line of credit bearing interest at prime plus 1% and secured by a general security agreement. As at December 31, 2018, a balance of NIL was outstanding on this credit facility.

8. Post employment and retirement benefits

The municipality pays to eligible members of its staff a pension benefit calculated at the same rate as the contribution rate of the Ontario Municipal Employees Retirement Fund. During the year the municipality paid \$9,664 (2017 - \$9,607) related to this.

9. Trust funds

Trust funds administered by the municipality amounting to \$6,250 (2017 - \$5,750) have not been included in the "Consolidated Statement of Financial Position" nor have their operations been included in the "Consolidated Statement of Operations".

10. Public Sector Salary Disclosure Act

For 2018, no employees were paid salaries, as defined in the Public Sector Salary Disclosure Act, 1996 of \$100,000 or more.

11. Contingencies and commitments

A claim has been made against the Township with respect to a drainage issue and management has indicated that this claim has been referred to the Township's insurer.

12. Segmented information

The municipality is a diversified local government institution that provides a wide range of services to its citizens. For management reporting purposes, municipal operations and activities are organized and reported by department. Departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

General government

The administration department oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of council.

Protection

Protection is comprised of the police, fire/emergency, by-law enforcement and building inspections departments. The mandate of the police department is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The fire/emergency department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. The by-law enforcement and building inspection department ensures properties are in compliance with applicable legislation, by-laws, building standards and construction codes.

Township of Jocelyn
Notes to Consolidated Financial Statements

December 31, 2018

12. Segmented information (continued)

Transportation

The transportation department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems and winter control.

Environmental

The Township provides for the environmental needs of the municipality's citizens by providing waste minimization programs and facilities for solid waste disposal.

Health

Through the Algoma Health Unit, the municipality contributes to public health services and education and through the Algoma District Services Administration Board, to ambulance services. In addition, this department oversees the care and maintenance of municipal cemeteries.

Social and family

Through the Algoma District Services Administration Board, the municipality contributes to social assistance payments, child care services and social housing.

Recreation and cultural

The recreation and cultural department provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as parks, fitness and sports programs. It provides public services that contribute to healthy communities through partnerships, promotion, prevention, protection and enforcement. The department also contributes towards the information and cultural needs of the municipality's citizens through the contribution to the local library and museum.

Planning

The planning department provides a diverse bundle of services. It manages development for business interests, environmental concerns, heritage matters and neighbourhoods through planning and community development activities. It facilitates economic development by providing services for the approval of all land development plans.

For each reported segment, revenues and expenses include both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies. For additional information see Schedule 2 - Consolidated Schedule of Segment Disclosure.

Township of Jocelyn
Schedule 1 - Consolidated Tangible Capital Assets

For the year ended December 31, 2018

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furnishings and Fixtures	Infrastructure	Construction in-Progress	Total
Cost, beginning of year	\$ 49,726	\$ 503,851	\$ 558,206	\$ 95,365	\$ 343,949	\$ 28,757	\$ 3,025,173	\$ 63,879	\$ 4,668,906
Additions	-	-	-	6,582	-	-	86,392	19,382	112,356
Capitalized construction	-	-	-	-	-	-	65,211	(65,211)	-
Cost, end of year	49,726	503,851	558,206	101,947	343,949	28,757	3,176,776	18,050	4,781,262
Accumulated amortization, beginning of year	-	234,513	258,215	69,901	108,845	28,757	1,898,885	-	2,599,116
Amortization	-	16,156	13,273	5,584	14,374	-	88,000	-	137,387
Accumulated amortization, end of year	-	250,669	271,488	75,485	123,219	28,757	1,986,885	-	2,736,503
Net carrying amount, end of year	\$ 49,726	\$ 253,182	\$ 286,718	\$ 26,462	\$ 220,730	\$ -	\$ 1,189,891	\$ 18,050	\$ 2,044,759

The net book value of tangible capital assets not being amortized because they are under construction/development is \$18,050 (2017 - \$63,879).

Township of Jocelyn
Schedule 1 - Consolidated Tangible Capital Assets (Continued)

For the year ended December 31, 2017

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furnishings and Fixtures	Infrastructure	Construction in-Progress	Total
Cost, beginning of year	\$ 49,726	\$ 503,851	\$ 549,927	\$ 74,842	\$ 343,949	\$ 28,757	\$ 2,845,347	\$ 26,964	\$ 4,423,363
Additions	-	-	-	20,523	-	-	179,826	45,194	245,543
Capitalized construction	-	-	8,279	-	-	-	-	(8,279)	-
Cost, end of year	49,726	503,851	558,206	95,365	343,949	28,757	3,025,173	63,879	4,668,906
Accumulated amortization, beginning of year	-	214,359	244,942	64,976	94,471	28,757	1,821,318	-	2,468,823
Amortization	-	20,154	13,273	4,925	14,374	-	77,567	-	130,293
Accumulated amortization, end of year	-	234,513	258,215	69,901	108,845	28,757	1,898,885	-	2,599,116
Net carrying amount, end of year	\$ 49,726	\$ 269,338	\$ 299,991	\$ 25,464	\$ 235,104	\$ -	\$ 1,126,288	\$ 63,879	\$ 2,069,790

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

Township of Jocelyn

Schedule 2 - Consolidated Segment Disclosure

For the year ended December 31, 2018

	General Government	Protection	Transportation	Environmental	Health	Social and Family	Recreation and Cultural	Planning	Consolidated Total
Revenue									
Taxation	\$ 95,543	\$ 114,096	\$ 210,538	\$ 42,684	\$ 102,117	\$ 100,189	\$ 39,778	\$ 5,410	\$ 710,355
Government grants - Provincial	41,009	48,973	165,100	18,321	43,831	43,003	36,626	2,322	399,185
Government grants - Federal	-	-	-	-	-	-	3,270	-	3,270
Other Municipalities	-	1,869	-	-	-	-	-	-	1,869
User fees and service charges	812	-	2,004	4,260	500	-	28,474	300	36,350
Licences, permits and rents	-	4,797	300	-	-	-	-	-	5,097
Penalties and interest on taxes	12,198	-	-	-	-	-	-	-	12,198
Investment income	11,461	-	-	-	-	-	-	-	11,461
Other	17,258	-	-	-	-	-	-	-	17,258
	178,281	169,735	377,942	65,265	146,448	143,192	108,148	8,032	1,197,043
Expenses									
Salaries and benefits	115,288	6,369	8,161	39,453	404	-	21,468	5,199	196,342
Materials and supplies	19,150	10,973	23,560	1,998	112	-	25,293	-	81,086
Contracted services	87,918	132,130	172,598	22,079	-	-	1,643	-	416,368
Rents and financial	1,041	-	-	-	-	-	-	-	1,041
Interest on long term debt	-	2,864	-	-	-	-	-	-	2,864
External transfers and other	-	-	-	-	143,758	142,641	1,503	2,581	290,483
Amortization	6,084	20,700	89,998	2,511	-	-	18,094	-	137,387
	229,481	173,036	294,317	66,041	144,274	142,641	68,001	7,780	1,125,571
Net surplus (deficit)	\$ (51,200)	\$ (3,301)	\$ 83,625	\$ (776)	\$ 2,174	\$ 551	\$ 40,147	\$ 252	\$ 71,472

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

Township of Jocelyn
Schedule 2 - Consolidated Segment Disclosure (Continued)

For the year ended December 31, 2017

	General Government	Protection	Transportation	Environmental	Health	Social and Family and Cultural	Recreation and Cultural	Planning	Consolidated Total
Revenue									
Taxation	\$ 79,533	\$ 105,348	\$ 237,210	\$ 41,811	\$ 91,239	\$ 97,968	\$ 12,781	\$ 6,735	\$ 672,625
Government grants - Provincial	37,471	49,634	236,009	19,699	42,986	46,156	7,525	3,173	442,653
Government grants - Federal	-	-	42,802	-	-	-	3,862	-	46,664
Other Municipalities	-	1,698	-	-	-	-	-	-	1,698
User fees and service charges	772	-	2,198	2,843	250	-	27,170	-	33,233
Licences, permits and rents	-	2,374	-	-	-	-	-	-	2,374
Penalties and interest on taxes	11,123	-	-	-	-	-	-	-	11,123
Investment income	6,742	-	-	-	-	-	-	-	6,742
Other	300	-	-	-	-	-	-	-	300
	135,941	159,054	518,219	64,353	134,475	144,124	51,338	9,908	1,217,412
Expenses									
Salaries and benefits	109,930	6,243	8,012	38,844	142	-	21,441	5,286	189,898
Materials and supplies	18,630	14,719	17,712	2,879	41	-	21,764	847	76,592
Contracted services	69,657	115,822	123,065	22,914	-	-	5,378	-	336,836
Rents and financial	1,330	-	-	-	-	-	-	-	1,330
Interest on long term debt	-	3,581	-	-	-	-	-	-	3,581
External transfers and other	-	-	-	-	128,957	144,120	1,503	2,516	277,096
Amortization	6,084	20,042	79,564	6,509	-	-	18,094	-	130,293
	205,631	160,407	228,353	71,146	129,140	144,120	68,180	8,649	1,015,626
Net surplus (deficit)	\$ (69,690)	\$ (1,353)	\$ 289,866	\$ (6,793)	\$ 5,335	\$ 4	\$ (16,842)	\$ 1,259	\$ 201,786

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

**Township of Jocelyn
Trust Funds
Financial Statements
For the year ended December 31, 2018**



Tel: 705-945-0990
Fax: 705-942-7979
Toll-Free: 800-520-3005
www.bdo.ca

BDO Canada LLP
747 Queen Street E
PO Box 1109
Sault Ste. Marie ON P6A 5N7 Canada

Independent Auditor's Report

To the Members of Council, Inhabitants and Ratepayers of Township of Jocelyn Trust Fund

Opinion

We have audited the financial statements of the Township of Jocelyn Trust Fund (the Trust Fund), which comprise the statement of financial position as at December 31, 2018, and the statement of continuity 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 Trust Fund as at December 31, 2018, and the continuity thereof, in accordance with the basis of accounting as described in Note 1.

Basis of 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 Trust Fund 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.

Emphasis of Matter - Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial statements are prepared to assist the Trust Fund to comply with the reporting requirements of the Bereavement Authority of Ontario. As a result, the financial statements may not be suitable for another purpose.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting as described in Note 1, 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 Trust Fund'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 Trust Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust Fund'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.

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 Trust Fund'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 Trust Fund'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 Trust Fund 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.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario
June 4, 2019

**Township of Jocelyn
Trust Funds
Cemetery Care and Maintenance**

Statement of Financial Position

<u>December 31</u>	<u>2018</u>	<u>2017</u>
Assets		
Current		
Cash	\$ 6,250	\$ 5,750
Fund Balance		
Capital	\$ 6,250	\$ 5,750

Statement of Continuity

<u>For the year ended December 31</u>	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 5,750	\$ 5,500
Revenue		
Sale of plots	500	250
Balance, end of year	\$ 6,250	\$ 5,750

**Township of Jocelyn
Trust Funds
Cemetery Care and Maintenance
Notes to Financial Statements**

December 31, 2018

1. Significant Accounting Policies

Management's Responsibility

The financial statements of the Township of Jocelyn Trust Fund are the representation of management and have been prepared in accordance with accrual based accounting principles. Precise determination of some assets and liabilities may be dependent upon future events and estimates and approximations. These estimates and approximations have been based upon the available information, using careful judgement and review.

Accrual Basis of Accounting

Sources of financing and expenditures are reported on the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal obligation to pay.

2. Nature of Trust Fund

The Cemetery Perpetual Care Trust Fund was established in accordance with the Cemeteries Act for the care and maintenance of certain cemetery grounds.

3. Statement of Changes in Cash Flows

A statement of changes in cash flows has not been provided since the sources and uses of cash are readily apparent from the information included in the financial statements.

4. Cash

Cash is represented by funds on deposit in chartered banks or investment portfolios.