

CORPORATION OF THE TOWNSHIP OF ARMSTRONG
CEMETERY PERPETUAL CARE TRUST FUND
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

CORPORATION OF THE TOWNSHIP OF ARMSTRONG
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YEAR ENDED DECEMBER 31, 2021

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MANAGEMENT'S RESPONSIBILITY

To the Inhabitants and Ratepayers of Corporation of the Township of Armstrong


Management is responsible for the preparation and presentation of the accompanying financial statements of the Cemetery Perpetual Care Trust Fund of the Corporation of the Township of Armstrong, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

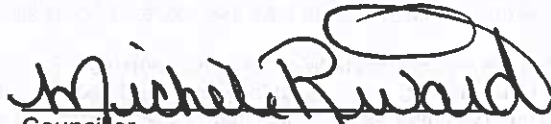
In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Committee is also responsible for recommending the appointment of the Municipality's external auditors.

MNP LLP is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the committee and management to discuss their audit findings.

April 13, 2022


Mayor


Councilor

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Armstrong.

Opinion

We have audited the accompanying financial statements of the Cemetery Perpetual Care Trust Fund of Corporation of the Township of Armstrong which comprise the statement of financial position as at December 31, 2021 and the statements of financial activities and changes in accumulated surplus, 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 financial statements present fairly, in all material respects, the financial position of the Cemetery Perpetual Care Trust Fund of Corporation of the Township of Armstrong as at December 31, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 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 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 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.

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 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 Municipality to express an opinion on the 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.

Timmins, Ontario
April 13, 2022

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

CORPORATION OF THE TOWNSHIP OF ARMSTRONG

CEMETERY PERPETUAL CARE TRUST FUND

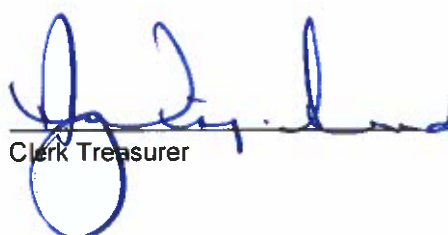
STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31

	2021	2020
FINANCIAL ASSETS		
Cash	\$ 19,806	\$ 19,845
Temporary investments (Note 4)	59,134	56,504
Accrued interest	53	53
Due from own Municipality (Note 5)	15,566	11,361
NET FINANCIAL ASSETS	94,559	87,763
ACCUMULATED SURPLUS	\$ 94,559	\$ 87,763

Approved by:


 Mayor


 Clerk Treasurer

See accompanying notes.

CORPORATION OF THE TOWNSHIP OF ARMSTRONG

CEMETERY PERPETUAL CARE TRUST FUND

STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN ACCUMULATED SURPLUS

YEAR ENDED DECEMBER 31

	2021	2020
REVENUE		
Care of plots and markers	\$ 23,341	\$ 23,591
Interest on temporary investments	722	1,301
	24,063	24,892
EXPENDITURES		
Repairs and maintenance	1,626	1,007
Amount transferred to the Municipality	15,641	17,481
	17,267	18,488
ANNUAL SURPLUS	6,796	6,404
ACCUMULATED SURPLUS, beginning of year	86,763	80,359
ACCUMULATED SURPLUS, end of year	\$ 93,559	\$ 86,763

CORPORATION OF THE TOWNSHIP OF ARMSTRONG

CEMETERY PERPETUAL CARE TRUST FUND

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

YEAR ENDED DECEMBER 31

	2021	2020
ANNUAL SURPLUS	\$ 6,796	\$ 6,404
NET FINANCIAL ASSETS, beginning of year	87,763	81,359
NET FINANCIAL ASSETS, end of year	\$ 94,559	\$ 87,763

CORPORATION OF THE TOWNSHIP OF ARMSTRONG

CEMETERY PERPETUAL CARE TRUST FUND

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31

	2021	2020
OPERATIONS		
Annual surplus	\$ 6,796	\$ 6,404
INVESTING		
Increase in temporary investments	(2,631)	(4,040)
FINANCING		
Advances to related parties	(4,204)	(2,688)
NET CHANGE IN CASH	(39)	(324)
CASH, beginning of year	19,845	20,169
CASH, end of year	\$ 19,806	\$ 19,845

See accompanying notes.

CORPORATION OF THE TOWNSHIP OF ARMSTRONG

CEMETERY PERPETUAL CARE TRUST FUND

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

1. NATURE OF OPERATIONS

Corporation of the Township of Armstrong cemetery perpetual care trust fund administers and operates the funeral, burial and cremation licencing services for residents surrounding the Township of Armstrong.

Impact on operations of COVID-19 (coronavirus)

In early March 2020 the impact of the global outbreak of COVID-19 began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. The Cemetery's operations were not significantly impacted by COVID-19.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the cemetery as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause changes to required service delivery, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the company's business and financial condition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING AND REVENUE RECOGNITION

Revenues and expenditures on the "Statement of Financial Activities and Changes in Accumulated Surplus" are reported on the accrual basis of accounting in accordance with Canadian public sector accounting standards for local governments as recommended by the the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. These accounting policies recognize revenues as they become available and measurable and expenditures as they are incurred and measurable as a result of the receipts of goods or services and the creation of a legal obligation to pay.

3. FINANCIAL INSTRUMENTS

The Cemetery's financial instruments consist of cash, temporary investments and accrued interest. Unless otherwise noted, it is management's opinion that the Cemetery is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

The fair value of the amount owing to own Municipality is less than carrying value, as the amount is non-interest bearing. As the amount has no terms of repayment, the fair value cannot be calculated with any degree of certainty.

4. TEMPORARY INVESTMENTS

Temporary investments consist of guaranteed investment certificates with interest rates at 0.45% maturing in December 2022.

CORPORATION OF THE TOWNSHIP OF ARMSTRONG

CEMETERY PERPETUAL CARE TRUST FUND

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

5. RELATED PARTY TRANSACTIONS

The balance due from Corporation of the Township of Armstrong, a related party by virtue of significant influence, is non-interest bearing and unsecured with no fixed terms of repayment.

The transactions are in the normal course of operations and are recorded at their exchange amounts, which are the amounts agreed to between the related parties, and which management has indicated is reflective of market rates.

