

Financial Statements of

**CORPORATION OF THE TOWN
OF GREATER NAPANEE –
TRUST FUNDS**

And Independent Auditor's Report thereon

Year ended December 31, 2022



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INDEPENDENT AUDITOR'S REPORT

To the Members of Council of the Corporation of the Town of Greater Napanee

Opinion

We have audited the financial statements of the Corporation of the Town of Greater Napanee - Trust Funds (the Entity), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of financial activities and changes in fund balance 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, 2022, and its results of operations and its 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 Financial Statements***" section of our auditor's 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 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.

Other Matter - Comparative Information

The financial statements for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on November 8, 2022.



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.

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 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.

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.



Page 3

- 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 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 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

March 18, 2025

CORPORATION OF THE TOWN OF GREATER NAPANEE

TRUST FUNDS

Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Cash	\$ 714,788	\$ 8,957
Accounts receivable	2,572	654,317
	<u>\$ 717,360</u>	<u>\$ 663,274</u>
Fund Balance		
Fund balance	\$ 717,360	\$ 663,274

See accompanying notes to financial statements.

CORPORATION OF THE TOWN OF GREATER NAPANEE

TRUST FUNDS

Statement of Financial Activities and Changes in Fund Balance

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
Contributions in transit (note 3)	\$ –	\$ 633,622
Assignment to trust funds (note 4)	39,972	–
Care and maintenance fees	10,037	15,595
Interest earned	14,812	14,057
	<u>64,821</u>	<u>663,274</u>
Expenses:		
Care and maintenance expenses	<u>10,735</u>	<u>–</u>
Excess of revenue over expenses	54,086	663,274
Fund balance, beginning of year	663,274	–
Fund balance, end of year	<u>\$ 717,360</u>	<u>\$ 663,274</u>

See accompanying notes to financial statements.

CORPORATION OF THE TOWN OF GREATER NAPANEE

TRUST FUNDS

Notes to Financial Statements

Year ended December 31, 2022

1. Purpose of trust funds:

The Cemetery Trust Funds were established for the purpose of providing funding for the care and maintenance and monuments of Napanee Riverside Cemetery, Napanee Riverview Cemetery, Roblin Cemetery, St. Alban's Cemetery and Mount Pleasant Cemetery. The Corporation of the Town of Greater Napanee is required to pay prescribed amounts into these funds and to receive investment income from these funds for use in the upkeep of the cemeteries.

2. Significant accounting policies:

The financial statements of the Corporation of the Town of Greater Napanee - Trust Funds (the "Trusts") are prepared by management in accordance with Canadian public sector accounting standards.

(a) Basis of presentation:

These statements reflect the assets, liabilities, revenue and expenses of the Trusts.

(b) Basis of accounting:

Revenue and expenses are recorded on an accrual basis of accounting.

The accrual basis recognizes revenue in the period in which the transactions or event occurred and are measurable. Expenses are recognized in the period in which they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

(c) 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

3. Transfer of care and maintenance trust fund:

On December 15, 2021, the Bereavement Authority of Ontario approved the transfer of the care and maintenance trust funds from the Napanee Cemetery Company to the Corporation of the Town of Greater Napanee.

CORPORATION OF THE TOWN OF GREATER NAPANEE

TRUST FUNDS

Notes to Financial Statements

Year ended December 31, 2022

4. Transfer of care and maintenance trust fund of Roblin Cemetery:

On July 11, 2022, the Bereavement Authority of Ontario approved the transfer of the care and maintenance trust fund of Roblin Cemetery comprised of both principal and interest income from the Roblin Cemetery Board to the Corporation of the Town of Greater Napanee.

5. Statement of cash flows:

A statement of cash flows has not been included in these financial statements as it would not provide additional meaningful information.