

**THE CORPORATION OF THE  
TOWN OF HUNTSVILLE  
TRUST FUNDS FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023**

**THE CORPORATION OF THE TOWN OF HUNTSVILLE**  
**TRUST FUNDS**  
**INDEX TO FINANCIAL STATEMENTS**

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**THE CORPORATION OF THE TOWN OF HUNTSVILLE TRUST FUNDS**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**

**Management's Responsibility for the Financial Statements**

The management of the Corporation of the Town of Huntsville (the "Municipality") is responsible for the integrity, objectivity and accuracy of the financial information presented in the accompanying financial statements.

The financial statements have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). A summary of the significant accounting policies is described in Note 1 to the financial statements.

The Municipality's management maintains a system of internal controls designed to provide a reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The Board meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to the approval of the financial statements.

The financial statements have been audited by Pahapill and Associates Professional Corporation, independent external auditors appointed by the Town of Huntsville. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's trust financial statements.

*Denise Corry*  
Denise Corry (Aug 23, 2024 12:09 EDT)

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Denise Corry  
Chief Administrative Officer

*Julia McKenzie*  
Julia McKenzie (Aug 23, 2024 12:27 EDT)

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Julia McKenzie  
Director of Financial Services/Treasurer

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## INDEPENDENT AUDITORS' REPORT

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To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Huntsville

### *Opinion*

We have audited the accompanying financial statements of the trust funds of the Corporation of the Town of Huntsville which comprise of the statement of financial position as at December 31, 2023 and results of financial activities 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 funds of the Corporation of the Town of Huntsville as at December 31, 2023, and its results of financial activities 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 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Emphasis of Matter*

We draw attention to Note 2 in the financial statements, which describes the effects of Canadian public sector accounting standards adopted by the Municipality. Our opinion is not modified in respect of this matter.

### *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 relating 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 Responsibility 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.

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.

*Pahapill and Associates*

Huntsville, Ontario  
July 22, 2024

Pahapill and Associates Professional Corporation  
Chartered Professional Accountants  
Authorized to practise public accounting by  
The Chartered Professional Accountants of Ontario

**THE CORPORATION OF THE TOWN OF HUNTSVILLE TRUST FUNDS**  
**STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN ACCUMULATED SURPLUS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Hutcheson Cemetery	Stephenson Cemetery	Locks Cemetery	Madill Cemetery	Ilfracombe Cemetery	Total 2023	Total 2022
<b>Revenue</b>							
Interest earned	\$ 22,691	\$ 2,541	\$ 1,960	\$ 673	\$ 1,169	\$ 29,034	\$ 21,532
Monument care collected	4,700	1,900	100	700	-	7,400	8,200
Care and maintenance collected	10,721	2,388	-	796	-	13,905	25,959
<b>Total Revenue</b>	<b>38,112</b>	<b>6,829</b>	<b>2,060</b>	<b>2,169</b>	<b>1,169</b>	<b>50,339</b>	<b>55,691</b>
<b>Expenditures</b>							
Transfer to Cemetery operations	22,691	2,541	1,960	673	1,169	29,034	21,532
<b>Total Expenditures</b>	<b>22,691</b>	<b>2,541</b>	<b>1,960</b>	<b>673</b>	<b>1,169</b>	<b>29,034</b>	<b>21,532</b>
<b>Net Surplus</b>	<b>15,421</b>	<b>4,288</b>	<b>100</b>	<b>1,496</b>	<b>-</b>	<b>21,305</b>	<b>34,159</b>
<b>Opening Accumulated Surplus</b>	<b>572,638</b>	<b>78,528</b>	<b>53,819</b>	<b>48,925</b>	<b>33,546</b>	<b>787,456</b>	<b>753,297</b>
<b>Accumulated remeasurement gains (losses)</b>	<b>230</b>	<b>31</b>	<b>26</b>	<b>966</b>	<b>98</b>	<b>1,351</b>	<b>-</b>
<b>Closing Accumulated Surplus</b>	<b>\$ 588,289</b>	<b>\$ 82,847</b>	<b>\$ 53,945</b>	<b>\$ 51,387</b>	<b>\$ 33,644</b>	<b>\$ 810,112</b>	<b>\$ 787,456</b>

**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

	Hutcheson Cemetery	Stephenson Cemetery	Locks Cemetery	Madill Cemetery	Ilfracombe Cemetery	Total 2023	Total 2022
<b>Financial Assets</b>							
Cash and cash equivalents	\$ 6,042	\$ 886	\$ 1,475	\$ 330	\$ 73	\$ 8,806	\$ 106,709
Investments (Note 3)	598,988	70,347	63,727	41,234	34,740	809,036	670,247
Due from Cemetery Board	-	11,614	-	9,823	-	21,437	11,554
	<b>\$ 605,030</b>	<b>\$ 82,847</b>	<b>\$ 65,202</b>	<b>\$ 51,387</b>	<b>\$ 34,813</b>	<b>\$ 839,279</b>	<b>\$ 788,510</b>
<b>Liabilities and Accumulated Surplus</b>							
Due to Cemetery Board	\$ 16,741	\$ -	\$ 11,257	\$ -	\$ 1,169	\$ 29,167	\$ 1,054
Accumulated surplus	588,289	82,847	53,945	51,387	33,644	810,112	787,456
	<b>\$ 605,030</b>	<b>\$ 82,847</b>	<b>\$ 65,202</b>	<b>\$ 51,387</b>	<b>\$ 34,813</b>	<b>\$ 839,279</b>	<b>\$ 788,510</b>

The accompanying notes are an integral part of these financial statements

**THE CORPORATION OF THE TOWN OF HUNTSVILLE TRUST FUNDS**  
**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Actual 2023 (Note 2)	Actual 2022
<b>Accumulated remeasurement gains (losses) beginning of year</b>	\$ -	\$ -
<b>Unrealized gains (losses) attributable to:</b>		
Portfolio investments	1,351	-
<b>Net remeasurement gains (losses) for the year</b>	1,351	-
<b>Accumulated remeasurement gains (losses), beginning of year</b>	-	-
<b>Accumulated remeasurement gains (losses), end of year</b>	<b>\$ 1,351</b>	<b>\$ -</b>

The accompanying notes are an integral part of these financial statements

# THE CORPORATION OF THE TOWN OF HUNTSVILLE TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS  
Year Ended December 31, 2023

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## 1. ACCOUNTING POLICIES

The financial statements of the Corporation of the Town of Huntsville Trust Funds are prepared by management in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

- (a) 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 receipt of goods or services and the creation of a legal obligation to pay.
- (b) Short term Investments  
Investments are reported at cost plus accrued interest.
- (c) Portfolio Investments  
Portfolio investments consists of equity instruments with no maturity. Portfolio investments in equity instruments that are quoted in an active market are recorded at fair value and the associated transaction costs are expensed upon initial recognition. The change in fair value is recognized in the Statement of Remeasurement Gains and Losses as a remeasurement gain or loss until the portfolio investments are realized on disposal. Upon disposal, any accumulated remeasurement gains or losses associated with the portfolio investments are reclassified to the Statement of Operations.
- (d) Use of estimates  
The preparation of financial statements in accordance 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 revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. The estimates are reviewed periodically and any resulting adjustments are reported in earnings in the year in which they become known.

## 2. CHANGE IN ACCOUNTING POLICIES

On January 1, 2023 the Municipality adopted Public Accounting Standards PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, PS 3280 Asset Retirement Obligations, and PS 3450 Financial Instruments. The standards were adopted prospectively from the date of adoption. The new standards provide comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments and foreign currency transactions. Other than PS 3450 Financial Instruments, these standards have no significant impact on the presentation of the financial statements.

### PS 3450 Financial Instruments

Under PS 3450, all financial instruments, including derivatives are included on the Statement of Financial Position and are measured either at fair value or amortized cost based on the characteristics of the instrument and the Municipality's accounting policy choice. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses. The standard also requires disclosure of the hierarchy of inputs used in the determination of fair value for instruments reported according to the following levels:

- Level 1: Fair value is based on quoted prices in an active market.
- Level 2: Fair value is based on model-based valuation methods for which all significant assumptions are observable in the market or quoted prices for similar but not identical assets.

The accompanying notes are an integral part of these financial statements



- Level 3: Fair value is based on valuation methods where inputs that are based on non-observable market data have a significant impact on the valuation.

In accordance with the provisions of this new standard, as at January 1, 2023, the carrying values of financial instruments included in portfolio investments are measured at fair value to correspond with how they are evaluated and measured. Prior to January 1, 2023, these financial instruments were recorded at cost or amortized cost. Unrealized gains and losses are recorded in the new statement of remeasurement gains and losses. Prior to January 1, 2023, unrealized gains and losses were not recorded in the financial statements. This accounting change decreased the January 1, 2023 balance of portfolio investments and accumulated remeasurement gains by \$49,361.

### 3. INVESTMENTS

Interest earned on investments is transferred from the Municipality's Cemetery Trust Funds to the Municipality's operating funds for the purpose of care and maintenance of the cemetery plots and monuments.

Perpetual Care investments, recorded at market value, consist of the following:

	Fair value hierarchy level	2023	2022
The ONE Investment program bond funds, fair value hierarchy level 1	level 1	\$ 116,937	\$ 128,131
The ONE Investment program universal corporate bond, fair value hierarchy level 1	level 1	170,324	193,496
The ONE Investment program equity fund, fair value hierarchy level 1	level 1	398,026	348,620
Guaranteed Investment Certificates bearing interest at rates from 3.92% to 5.69% and maturing between March 2024 and April 2027	-	123,749	-
		<b>\$ 809,036</b>	<b>\$ 670,247</b>

Investments have a market value of \$809,036 (2022 - \$620,886) and a cost value of \$807,685 (2022 - \$670,247) at the end of the year. The One Investment Program is held for the purposes of meeting long-term obligations.

The fair value measurements are those derived from:

- Level 1: Quoted prices in active markets for identical assets.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets, either directly (ie as prices) or indirectly (ie derived from prices).
- Level 3: Fair value measurements are those derived from valuation methods where inputs are based on non-observable market data.

### 4. CARE AND MAINTENANCE FUND

The Care and Maintenance Fund administered by the Town is funded by the sale of cemetery interment rights and markers. These funds are invested and earnings derived therefrom are used to perform maintenance to the Town's cemeteries. The operations and investments of the fund are undertaken by the Town in accordance with the regulations of the Funeral, Burial and Cremation Services Act, 2002.











# TOHTrust\_FS23

Final Audit Report

2024-08-23

Created:	2024-08-23
By:	RAVEN IVANY (RIVANY@PAHAPILL.CA)
Status:	Signed
Transaction ID:	CBJCHBCAABAAHn2IfDHJ8cMnTrkOlfaN8TcqVRxwkbwl

## "TOHTrust\_FS23" History

-  Document created by RAVEN IVANY (RIVANY@PAHAPILL.CA)  
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-  Document emailed to Julia (julia.mckenzie@huntsville.ca) for signature  
2024-08-23 - 4:07:29 PM GMT
-  Document emailed to Denise (denise.corry@huntsville.ca) for signature  
2024-08-23 - 4:07:29 PM GMT
-  Email viewed by Denise (denise.corry@huntsville.ca)  
2024-08-23 - 4:08:54 PM GMT
-  Signer Denise (denise.corry@huntsville.ca) entered name at signing as Denise Corry  
2024-08-23 - 4:09:30 PM GMT
-  Document e-signed by Denise Corry (denise.corry@huntsville.ca)  
Signature Date: 2024-08-23 - 4:09:32 PM GMT - Time Source: server
-  Email viewed by Julia (julia.mckenzie@huntsville.ca)  
2024-08-23 - 4:16:44 PM GMT
-  Signer Julia (julia.mckenzie@huntsville.ca) entered name at signing as Julia McKenzie  
2024-08-23 - 4:27:35 PM GMT
-  Document e-signed by Julia McKenzie (julia.mckenzie@huntsville.ca)  
Signature Date: 2024-08-23 - 4:27:37 PM GMT - Time Source: server
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