

Financial Statements of the

HALIFAX REGIONAL MUNICIPALITY
MISCELLANEOUS TRUST FUNDS

Year ended March 31, 2019



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INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors of Halifax Regional Municipality

We have audited the financial statements of Halifax Regional Municipality Miscellaneous Trust Funds (the Entity), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of income and expenditures and funds equity for the year then ended
- the statement of cash flows 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 March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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.



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 accounting standards for not-for-profit organizations, 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.

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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Halifax, Canada

July 16, 2019

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

Statement of Financial Position

March 31, 2019, with comparative figures for 2018

	2019	2018
Assets		
Cash	\$ 7,429,389	\$ 7,387,679
Accounts receivable (note 2)	-	15,371
Due from Halifax Regional Municipality	109	-
Investments (note 3)	6,410	6,410
	\$ 7,435,908	\$ 7,409,460
Liabilities and Funds Equity		
Funds equity (schedule)	7,435,908	7,409,460
	\$ 7,435,908	\$ 7,409,460

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

Approved on behalf of the Halifax Regional Municipality



Mayor, Mike Savage



Municipal Clerk, Kevin Arjoon

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

Statement of Income and Expenditures and Funds Equity

For the year ended March 31, 2019, with comparative figures for 2018

	2019	2018
Income		
Investment income	\$ 165,281	\$ 114,508
Capital contributions received during the year	8,818	16,451
Tax sales	279,095	785,669
	<u>453,194</u>	<u>916,628</u>
Expenditures		
Transfer to Halifax Regional Municipality	140,702	102,889
Net transactions with Trustors	286,044	573,687
	<u>426,746</u>	<u>676,576</u>
Excess of income over expenditures	26,448	240,052
Funds equity, beginning of the year	7,409,460	7,169,408
Funds equity, end of the year	\$ 7,435,908	\$ 7,409,460

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

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

Statement of Cash Flow

For the year ended March 31, 2019, with comparative figures for 2018

	2019	2018
Excess of income over expenditures	\$ 26,448	\$ 240,052
Decrease in accounts receivable	15,371	88,567
Increase in due from Halifax Regional Municipality	(109)	-
Increase in cash	41,710	328,619
Cash, beginning of the year	7,387,679	7,059,060
Cash, end of the year	\$ 7,429,389	\$ 7,387,679

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

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

Notes to Financial Statements

Year End March 31, 2019

The Halifax Regional Municipality has a number of trust funds as identified in the Schedule of Funds Equity. The trust funds are in place to fund the operation, maintenance and facilities of the identified beneficiary. The trust funds have a variety of restrictions that specify the purpose for which the funds can be used.

1. Significant accounting policies:

(a) Basics of accounting:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Revenue recognition:

Investment income earned in the miscellaneous trust funds is recognized in the fund in which the interest bearing investment is held.

Tax sales revenue is recognized when received, generally being the date the property is sold.

Capital contribution related to various services fees are recognized as revenue in the period received.

(c) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Actual results could differ from those estimates.

2. Accounts receivable:

The accounts receivable balance, NIL (March 31, 2018 - \$15,371) was due from an entity controlled by the Halifax Regional Municipality. During the year, the entity made principal payments of \$15,371 (March 31, 2018 - \$88,567) and interest payments of \$135 (March 31, 2018 - \$4,469).

3. Investments:

	2019	2018
Shares, cost	\$ 6,410	\$ 6,410
Shares, market value	\$ 403,160	\$ 392,394

The market value shown for investments represents the estimated value of the shares as at March 31, 2019. Shares are valued at the year end quoted market prices.

HALIFAX REGIONAL MUNICIPALITY

MISCELLANEOUS TRUST FUNDS

Schedule of Funds Equity

Year ended March 31, 2019

	Balance March 31, 2018	Income	Transfer to Halifax Regional Municipality	Expenditures of Trustors	Capital Contributions	Balance March 31, 2019
J.L. Dillman Park Maintenance	\$ 166,875	\$ 3,506	\$ -	\$ -	\$ -	\$ 170,381
Tax sales	2,985,111	337,488	(58,393)	(220,444)	-	3,043,762
J.D. Shatford Memorial	60,000	1,249	(1,249)	-	-	60,000
Sackville Landfill	850,863	16,940	(135)	(65,500)	-	802,168
Camphill Cemetery Trust	140,620	2,944	(2,944)	-	1,800	142,420
Camphill Cemetery Perpetual Care	566,179	11,782	(11,782)	-	-	566,179
Camphill Cemetery Fence	12,063	251	(251)	-	-	12,063
Fairview Cemetery Trust	2,363,288	64,669	(64,669)	-	6,518	2,369,806
Fairview Cemetery Maintenance	45,000	936	(936)	-	-	45,000
Titanic Trust	167,811	3,534	-	-	500	171,845
Commons Commutation	16,491	343	(343)	-	-	16,491
Harbour Championship	9,866	204	-	(100)	-	9,970
Other	25,293	530	-	-	-	25,823
	\$ 7,409,460	\$ 444,376	\$ (140,702)	\$ (286,044)	\$ 8,818	\$ 7,435,908