

**The Corporation of the
Town of Newmarket
Trust Fund
Financial Statements
Year ended December 31, 2014**

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Independent Auditor's Report

To the Mayor and Councilors of The Corporation of the Town of Newmarket

We have audited the accompanying financial information of The Corporation of the Town of Newmarket Trust Fund, which comprise the statement of financial position as at December 31, 2014, and the statement of continuity and cash flow for the year then ended and a summary of significant accounting policies and other explanatory information. The financial information has been prepared by management on the basis of accounting described in the Note 1.

Management's Responsibility for the Financial Information

Management is responsible for the preparation of this financial information in accordance with the basis of accounting described in Note 1, and for such internal control as management determines is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial information based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial information 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial information of The Corporation of the Town of Newmarket Trust Fund for the year ended December 31, 2014 is prepared, in all material respects, in accordance with the basis of accounting described in Note 1.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 which describes the basis of accounting. The financial information is prepared solely for the use of The Corporation of the Town of Newmarket. Our report is intended solely for The Corporation of the Town of Newmarket and should not be distributed to or used by parties other than The Corporation of the Town of Newmarket.

Chartered Professional Accountants, Licensed Public Accountants

June 22, 2015
Newmarket, Ontario

**THE CORPORATION OF THE TOWN OF NEWMARKET
TRUST FUND**

Statement of Continuity

DRAFT

December 31, 2014

	<u>2014</u>	<u>2013</u>
FUND BALANCE, BEGINNING OF YEAR	\$ 312,128	\$ 308,253
REVENUES		
Interest earned	4,903	3,875
Total revenues	4,903	3,875
EXPENDITURES		
Transfer to Capital Fund	-	-
Total expenditures	-	-
FUND BALANCE, END OF YEAR	\$ 317,031	\$ 312,128

Statement of Financial Position

December 31, 2014

	<u>2014</u>	<u>2013</u>
ASSET		
Cash	14,663	312,128
Investment interest receivable	2,368	-
Investments (Note 3)	300,000	-
Fund Balance (Note 2)	\$ 317,031	\$ 312,128

THE CORPORATION OF THE TOWN OF NEWMARKET TRUST FUND

Statement of Cash Flow

Year Ended December 31, 2014

DRAFT

	<u>2014</u>	<u>2013</u>
Cash received from		
Investment Income	\$ 2,535	\$ 3,875
	<u>2,535</u>	<u>3,875</u>
Cash paid for		
Materials, goods and supplies	-	-
	<u>-</u>	<u>-</u>
Net change in cash from operating activities	2,535	3,875
Financing Activities		
Investment	(300,000)	-
Net change in cash from financing activities	<u>(300,000)</u>	<u>-</u>
Net Change In Cash	(297,465)	3,875
Cash, Beginning of Year	312,128	308,253
Cash, End of Year	<u>\$ 14,663</u>	<u>\$ 312,128</u>

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

THE CORPORATION OF THE TOWN OF NEWMARKET TRUST FUND

Notes to the Financial Statements

DRAFT

December 31, 2014

1 SIGNIFICANT ACCOUNTING POLICIES

The Trust Fund financial statements of the Corporation of the Town of Newmarket (the "Trust Fund") are the representation of management prepared in accordance with the accounting principle discussed below:

Basis of Accounting

Capital receipts and income are reported on the cash basis of accounting. Expenditures are reported on the cash basis of accounting with the exception of administrative expenditures which are reported on the accrual basis of accounting. The accrual basis of accounting recognizes expenditures as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

2 ELMAN W. CAMPBELL MUSEUM TRUST

The Elman W. Campbell Museum Trust, being the only trust administered by the municipality, was established as a result of the last Will and Testament of Elman W. Campbell in 1988. Operating expenses of the Museum are paid for by the Town of Newmarket and the Town receives no remuneration for administering the Fund. Eighty percent (80%) of the interest earned by the trust can be used to offset certain maintenance costs of the Museum after the capital requirements for the year have been met. The Town is required to have the Museum Fund audited annually.

3 INVESTMENTS

Investments are recorded at the lower of cost and market value.

	2014	2013
Guaranteed investment certificate	\$ 300,000	-

Non-redeemable guaranteed investment certificate, interest at 2.15%, matures August, 2019, 20% maturing annually on each anniversary date.
