

**The Corporation of the  
Town of Newmarket  
Trust Fund  
Financial Statements  
Year ended December 31, 2015**

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**Contents**

<b>Independent Auditor's Report</b>	<b>2</b>
<b>Financial Statements</b>	
Statement of Continuity	3
Statement of Financial Position	3
Statement of Cash Flow	4
Notes to the Financial Statements	5

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## Independent Auditor's Report

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### 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, 2015, 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 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, 2015 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 27, 2016  
Newmarket, Ontario

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

**Statement of Continuity**

**DRAFT**

**December 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>\$ 317,031</b>	<b>\$ 312,128</b>
<b>REVENUES</b>		
Interest	357	2,535
Investment Income	6,019	2,368
<b>Total revenues</b>	<b>6,376</b>	<b>4,903</b>
<b>EXPENDITURES</b>		
Transfer to Capital Fund	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 323,407</b>	<b>\$ 317,031</b>

**Statement of Financial Position**

**December 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>ASSET</b>		
Cash	81,470	14,663
Investment interest receivable	1,937	2,368
Investments (Note 3)	240,000	300,000
<b>Fund Balance (Note 2)</b>	<b>\$ 323,407</b>	<b>\$ 317,031</b>

# THE CORPORATION OF THE TOWN OF NEWMARKET TRUST FUND

## Statement of Cash Flow

DRAFT

Year Ended December 31, 2015

	2015	2014
Cash received from		
Interest	\$ 357	\$ 2,535
Investment Income	6,450	-
	<u>6,807</u>	<u>2,535</u>
Cash paid for		
Materials, goods and supplies	-	-
	<u>-</u>	<u>-</u>
Net change in cash from operating activities	6,807	2,535
Financing Activities		
Investment	60,000	(300,000)
Net change in cash from financing activities	<u>60,000</u>	<u>(300,000)</u>
Net Change In Cash	66,807	(297,465)
Cash, Beginning of Year	<u>14,663</u>	<u>312,128</u>
Cash, End of Year	<u>\$ 81,470</u>	<u>\$ 14,663</u>

# THE CORPORATION OF THE TOWN OF NEWMARKET TRUST FUND

## Notes to the Financial Statements

DRAFT

December 31, 2015

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### 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.

	2015	2014
Guaranteed investment certificate	\$ 240,000	\$300,000

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

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