

Financial statements of

**The Trust Funds of the Corporation
of the City of Burlington**

December 31, 2014

The Trust Funds of the Corporation of the City of Burlington

December 31, 2014

Table of contents

| | |
|---|-----|
| Independent Auditor's Report | 1-2 |
| Statement of financial activities and fund balances | 3 |
| Statement of financial position | 4 |
| Notes to the financial statements | 5 |



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Independent Auditor's Report

To the Members of Council,
Inhabitants and Ratepayers of the
Corporation of the City of Burlington

We have audited the accompanying financial statements of the Trust Funds of the Corporation of the City of Burlington, which comprise the statement of financial position as at December 31, 2014, and the statement of financial activities and fund balances for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 statements.

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

Basis for Qualified Opinion

The Trust Funds of the Corporation of the City of Burlington derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Trust Funds and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses and cash flows from operating activities for the year ended December 31, 2014, assets as at December 31, 2014 and fund balances as at January 1 and December 31, 2014. Our audit opinion on the financial statements for the year ended December 31, 2014 was modified accordingly, because of the possible effects of this scope limitation.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Trust Funds of the Corporation of the City of Burlington as at December 31, 2014, and the results of their operations and their cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Deloitte LLP

Chartered Professional Accountants, Chartered Accountants
Licensed Public Accountants
June 22, 2015

The Trust Funds of the Corporation of the City of Burlington

Statement of financial activities and fund balances
year ended December 31, 2014

(In thousands of dollars)

| | Advanced building permits | Developer performance deposits | Landscape deposits and contractual holdbacks | Performing Arts Centre Fund | POA Trust | Deferred compensation Plan Fund | Cemetery Trust Fund | Total 2014 | Total 2013 |
|--|---------------------------|--------------------------------|--|-----------------------------|--------------|---------------------------------|---------------------|---------------|---------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenue | | | | | | | | | |
| Contributions | 35 | 70 | 2,626 | 188 | 1,236 | 14 | 30 | 4,199 | 2,548 |
| Interest earned | - | - | - | - | 41 | - | - | 41 | 42 |
| | 35 | 70 | 2,626 | 188 | 1,277 | 14 | 30 | 4,240 | 2,590 |
| Expenses | | | | | | | | | |
| Contribution refunds | 73 | 369 | 1,554 | 356 | 157 | 28 | - | 2,537 | 1,595 |
| (Deficiency) excess of revenue over expenses | (38) | (299) | 1,072 | (168) | 1,120 | (14) | 30 | 1,703 | 995 |
| Fund balance, beginning of year | 352 | 1,989 | 5,900 | - | 2,752 | 22 | 1,095 | 12,110 | 11,115 |
| Fund balance, end of year | 314 | 1,690 | 6,972 | (168) | 3,872 | 8 | 1,125 | 13,813 | 12,110 |

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

The Trust Funds of the Corporation of the City of Burlington

Statement of financial position
as at December 31, 2014

(In thousands of dollars)

| | Advanced building permits | Developer performance deposits | Landscape deposits and contractual holdbacks | Performing Arts Centre Fund | POA Trust | Deferred compensation Plan Fund | Cemetery Trust Fund | Total 2014 | Total 2013 |
|---------------------|---------------------------|--------------------------------|--|-----------------------------|--------------|---------------------------------|---------------------|---------------|---------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Assets | | | | | | | | | |
| Cash | - | - | - | - | - | - | - | - | 12 |
| Investments | | | | | | | | | |
| Provincial | - | - | - | - | - | - | 793 | 793 | 775 |
| Municipal - other | - | - | - | - | - | - | 333 | 333 | 308 |
| Deposits | 314 | 1,690 | 6,972 | (168) | 3,872 | 8 | - | 12,688 | 11,015 |
| | 314 | 1,690 | 6,972 | (168) | 3,872 | 8 | 1,126 | 13,814 | 12,110 |
| Liability | | | | | | | | | |
| Bank indebtedness | - | - | - | - | - | - | 1 | 1 | - |
| Fund balance | | | | | | | | | |
| Capital | 314 | 1,690 | 6,972 | (168) | 3,872 | 8 | 1,125 | 13,813 | 12,110 |
| | 314 | 1,690 | 6,972 | (168) | 3,872 | 8 | 1,126 | 13,814 | 12,110 |

Approved by the Board

_____ Director

_____ Director

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

The Trust Funds of the Corporation of the City of Burlington

Notes to the financial statements

December 31, 2014

(In thousands of dollars)

1. Accounting policies

The Trust Funds of the Corporation of the City of Burlington (the "City") financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

Basis of accounting

Interest revenue is recorded as earned.

Expenses are reported on the accrual basis of accounting which recognizes expenses 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.

Financial instruments

Cash, investments and deposits are recorded at amortized cost.

Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

2. Statement of cash flows

A statement of cash flows has not been provided as the related information is readily determinable from the financial statements presented.

3. Deferred compensation plan

The City administers and is trustee of the Deferred Compensation Plan. Current provisions of the Income Tax Act preclude further contributions and all income is distributed to the members each year.

4. Investments

The total of investments of \$1,126 (2013 - \$1,083) recorded on the "Statement of financial position" at cost, have a market value of \$1,131 (2013 - \$1,086) as at the end of the year.

5. Deposits

Deposit receipts reported on the statement of financial position \$12,688 (2013 - \$11,015) are held and maintained by the City on behalf of the trust.