
Financial statements of
The Corporation of the City of
Pickering Trust Funds

December 31, 2020

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Independent Auditor's Report

To the Members of Council of
The Corporation of the City of Pickering

We have audited the financial statements of The Corporation of the City of Pickering Trust Funds (the "Trust Funds"), which comprise the statement of financial position as at December 31, 2020, and the statement of financial activities and fund balance, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust Funds as at December 31, 2020, and the results of its operations changes in fund balance 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 ("Canadian GAAS"). 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 Trust Funds 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 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 Trust Funds' 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 Trust Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust Funds' financial reporting process.

Auditor's 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 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 GAAS 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 GAAS, 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 Trust Funds' 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 Trust Funds' 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 Trust Funds 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.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
February 11, 2022

The Corporation of the City of Pickering Trust Funds
Statement of financial activities and fund balance
Year ended December 31, 2020

	2020	2019
	\$	\$
Revenue		
Interest	6,662	5,885
Fund balance, beginning of year	373,033	367,148
Fund balance, end of year	379,695	373,033

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

The Corporation of the City of Pickering Trust Funds

Statement of financial position

As at December 31, 2020

	2020	2019
	\$	\$
Assets		
Cash	16	16
Investments	374,632	356,684
Interest receivable	5,047	16,333
	379,695	373,033
Trust Fund position	379,695	373,033

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

The Corporation of the City of Pickering Trust Funds

Statement of cash flows

Year ended December 31, 2020

	2020	2019
	\$	\$
Operating transactions		
Net income	6,662	5,885
Change in non-cash operating items		
Interest receivable	11,286	(5,885)
	11,286	(5,885)
Operating transactions		
Guarenteed investment certificate matured	356,684	—
Guarenteed investment certificate purchased	(374,632)	—
	(17,948)	—
Net change in cash	—	—
Cash, beginning of year	16	16
Cash, end of year	16	16

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

The Corporation of the City of Pickering Trust Funds

Notes to the financial statements

December 31, 2020

1. Significant accounting policies

The financial statements of The Corporation of the City of Pickering Trust Funds are the representations of management prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Significant accounting policies adopted include:

Revenue recognition

Interest revenue is recorded as earned.

Investments

Investments are recorded at amortized cost. The cost of investments plus accrued interest approximates their fair value.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Trust Funds become a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.

Financial assets measured at amortized cost are assessed at each reporting date for indications of impairment. If such impairment exists, the asset is written down and the resulting impairment loss is recognized in the statement of financial activities and fund balance.

2. Dorothy Card Estate

The City of Pickering administers a trust fund for the Dorothy Card Estate for the care and upkeep of the destitute elderly. The fund balance is comprised of investments and accumulated interest amounting to \$379,695 (\$373,033 in 2019).

3. Investments

The investments of \$374,632 (\$356,684 in 2019) are Guaranteed Investment Certificates ("GICs") held with a Canadian chartered bank. The GICs have an interest rate of 1.75% (1.65% in 2019) and maturity date of March 25, 2021 (maturity date of March 23, 2020 in 2019).