

Financial Statements

The City of Saint John

Trust Funds

December 31, 2016

Independent Auditor's Report

To His Worship the Mayor and Members of Common Council of
The City of Saint John

We have audited the accompanying financial statements of the City of Saint John Trust Funds ("City"), which comprise the statements of financial position as at December 31, 2016, and the statements of changes in net assets and cash flows for the year then 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 public sector accounting standards, 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 City'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 City'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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the City of Saint John Trust Funds as at December 31, 2016, and the results of its operations, changes in its net assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Professional Accountants
July 10, 2017

The City of Saint John
Reserve and Trust Funds
As at December 31, 2016

STATEMENT OF FINANCIAL POSITION

	Trust Funds						Total 2016 \$	Total 2015 \$
	Tucker Fund \$	Stockford Memorial Fund \$	O'Connell Fund \$	L.R. Ross Fund \$	A. Carle Smith Fund \$	Bi- Centennial Fund \$		
ASSETS								
Cash	255,676	69,442	92,946	18,519	39,024	—	475,607	475,068
Term deposits, at cost	—	—	—	—	—	1,743	1,743	1,729
	255,676	69,442	92,946	18,519	39,024	1,743	477,350	476,797
LIABILITIES								
Accounts payable	—	—	157	—	—	—	157	143
NET ASSETS	255,676	69,442	92,789	18,519	39,024	1,743	477,193	476,654

The accompanying notes are an integral part of these financial statements

Signed on Behalf of the Council

Mayor:  _____

Chair of Finance Committee  _____

The City of Saint John
Reserve and Trust Funds
For the year ended December 31, 2016

STATEMENT OF OPERATIONS CHANGES IN NET ASSETS

	Trust Funds						Total 2016 \$	Total 2015 \$
	Tucker Fund \$	Stockford Memorial Fund \$	O'Connell Fund \$	L.R. Ross Fund \$	A. Carle Smith Fund \$	Bi- Centennial Fund \$		
Increase in net assets								
Investment income	2,353	639	863	174	359	14	4,402	4,744
	2,353	639	863	174	359	14	4,402	4,744
Decrease in net assets								
Contributions to other entities	—	—	863	3,000	—	—	3,863	977
	—	—	863	3,000	—	—	3,863	977
Increase (decrease) in net assets during the year	2,353	639	—	(2,826)	359	14	539	3,767
Net Assets, beginning of year	253,323	68,803	92,789	21,345	38,665	1,743	476,654	472,843
Net Assets, end of year	255,676	69,442	92,789	18,519	39,024	1,743	477,193	476,654

The accompanying notes are an integral part of these financial statements

STATEMENT OF CASH FLOW

	2016	2015
	\$	\$
Operating activities		
Excess of investment income over expenditure	4,402	4,744
Changes in non-cash working capital:		
Term Deposits	-	(12)
Accounts Payable	-	-
Investment activities		
Contributions to other entities	(3,863)	(977)
Net cash increase in cash and cash equivalents	539	3,755
Cash, beginning of year	475,068	471,313
Cash, end of year	475,607	475,068

The accompanying notes are an integral part of these financial statements

The City of Saint John - Reserve and Trust Funds

Notes to the financial statements

For the year ended December 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City are the representations of the City's Management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Chartered Professional Accountants of Canada Public Sector Accounting Board.

Revenue

Investment income is recognized on an accrual basis.

Expenses

Expenses are recorded on an accrual basis.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities.

Financial Instruments

The Trust Fund's financial instruments consist of cash, term deposits, and accounts payable. Financial instruments are recorded at fair value when acquired. Financial assets with actively traded markets are reported at fair value, with any unrealized gains or losses reported in excess (deficiency) of revenue over expenditure. Financial instruments are tested for impairment at each reporting date.

The Reserve and Trust Funds are exposed to interest rate risk in that the value of the marketable securities can be adversely affected by a change in interest rates.

2. TRUST FUNDS

Tucker Fund

By an Act of the Legislature enacted on April 20, 1927, securities with a par value of \$10,000 were vested with the City of Saint John. This Act provided that the income and a portion of the principal from this Trust, with the approval of Common Council, should be used for the maintenance and improvement of Tucker Park.

The City of Saint John - Reserve and Trust Funds

Notes to the financial statements

For the year ended December 31, 2016

2. TRUST FUNDS (continued)

Stockford Memorial Fund

This fund was established on December 28, 1939 as a result of a bequest of \$3,000 from Fannie M. Stockford of Boston, Massachusetts. This amount was to be invested and the annual income was to be used towards the upkeep and maintenance of King Square.

O'Connell Fund

This fund was established on March 22, 1939 with a contribution of \$2,000 from J.D. O'Connell. The contribution was to be invested and the income distributed among the orphanages of the City on the prorata basis of the children cared for by each, to be given by way of a Christmas gift to each child. In October 2004, this agreement was amended to allow the Trustees to disburse the income arising from the trust investments yearly to the Empty Stocking Fund.

L.R. Ross Fund

This fund was established in 1921 through the gift of \$1,250 and the "Ross Memorial Cup". The Cup was to be competed for annually by amateur single scullers, aged twenty-one years or under who are residents of the Maritime Provinces. The income from this Trust was to be used to provide a duplicate cup for the winner of each race held. Changes to the Trust in 1986 now allow for the funds to be used to promote the sport of rowing within the City of Saint John and its suburban communities, provided that an amount of \$4,000 remains in the fund to enable the "Ross Memorial Cup" to be duplicated when necessary.

A. Carle Smith Fund

Established in September 1976, funds were received from the estate of A. Carle Smith. These funds are to be used for the maintenance of a wildlife sanctuary in the South Bay area.

Bi-Centennial Funds

These funds are to be used for ceremonies marking the 200th anniversary of Canada in the year 2067.