

Financial Statements of

**THE CITY OF GREATER SUDBURY
COMMUNITY DEVELOPMENT
CORPORATION**

Year ended December 31, 2017



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The City of Greater Sudbury Community
Development Corporation

We have audited the accompanying financial statements of The City of Greater Sudbury Community Development Corporation, which comprise the statement of financial position as at December 31, 2017, the statements of operations and accumulated surplus and cash flows for the year then ended, and notes, comprising 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.

Auditors' 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 disclosure in the financial statements. The procedures selected depend on our 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, we consider 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 audit opinion.



Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of The City of Greater Sudbury Community Development Corporation as at December 31, 2017 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

June 27, 2018

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
Assets		
Current:		
Accounts receivable (note 2)	\$ 1,265,489	1,208,035
	<u>\$ 1,265,489</u>	<u>1,208,035</u>
Liabilities		
Accumulated surplus	\$ 1,265,489	1,208,035
Commitments (note 3)		
	<u>\$ 1,265,489</u>	<u>1,208,035</u>

See accompanying notes to financial statements.

On behalf of the Board:

_____ Director

_____ Director

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Statement of Operations and Accumulated Surplus

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Revenue:		
City of Greater Sudbury:		
Economic Development Grant	\$ 989,184	979,390
Arts and Culture Operating Grant	461,143	456,577
Arts and Culture Projects Grant	92,131	91,719
	1,542,458	1,527,686
Expenses:		
Grants	1,485,004	1,407,267
Annual surplus	57,454	120,419
Accumulated surplus, beginning of year	1,208,035	1,087,616
Accumulated surplus, end of year	\$ 1,265,489	1,208,035

See accompanying notes to financial statements.

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 57,454	120,419
Changes in non-cash working capital items:		
Increase in accounts receivable	(57,454)	(120,419)
Increase in cash during the year	-	-
Cash, beginning of year	-	-
Cash, end of year	\$ -	-

See accompanying notes to financial statements.

THE CITY OF GREATER SUDBURY COMMUNITY DEVELOPMENT CORPORATION

Notes to Financial Statements
Year ended December 31, 2017

The City of Greater Sudbury Community Development Corporation (the "Corporation") is principally involved in the promotion of community economic development in the City of Greater Sudbury with the participation of the community by encouraging, facilitating and supporting community strategic planning and increasing self-reliance, investment and job creation within the community. The Corporation was incorporated without share capital on January 3, 2001 under the laws of the Province of Ontario.

1. Basis of presentation:

These financial statements were prepared by management in accordance with Canadian generally accepted accounting principles, Part III Not-for-Profit Organizations, as established by the Canadian Professional Accountants of Canada.

(a) Revenue recognition:

The Corporation follows the deferral method of accounting for contributions which comprise grants from the City of Greater Sudbury.

(b) Financial instruments:

Financial assets and liabilities are initially recorded at fair value and their subsequent measurement is dependent on their classification. Investments in equity instruments that are quoted in an active market are recorded at fair value each reporting period. All other financial assets and liabilities are recorded at amortized cost.

2. Accounts receivable:

Accounts receivable of \$1,265,489 (2016 - \$1,208,035) is due from the City of Greater Sudbury. This amount is unsecured, non-interest bearing and has no specified terms of repayment.

3. Commitments:

The Corporation has approved grants to various organizations. At year end, \$618,689 (2016 - \$397,673) of grants have been approved but were not distributed.

4. Financial instruments:

The fair value of accounts receivable is not determinable as there are no specified terms of repayment.

5. Subsequent events:

The Province of Ontario introduced new legislation effective January 1, 2018 that will allow the City of Greater Sudbury to implement Municipal Accommodation Tax and has designated the Corporation as the eligible tourism entity to receive half of the net revenue. The Corporation expects this will generate incremental revenue which will be used for the promotion of tourism in the community. The Corporation will consider changes to its financial statement presentation to reflect this new revenue stream in 2018.