

**TOWN OF KERROBERT**

**Auditor's Report**

**Summarized Financial Statements**

**December 31, 2017**

## MANAGEMENT'S RESPONSIBILITY

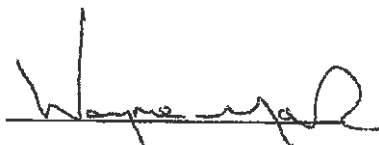
To the Ratepayers of  
**Town of Kerrobert :**

Management is responsible for the preparation and presentation of the accompanying summarized financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Council is composed of elected officials who are not employees of the Town. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.

  
\_\_\_\_\_  
Mayor  
\_\_\_\_\_  
Administrator

**REPORT OF THE INDEPENDENT AUDITOR ON  
SUMMARIZED FINANCIAL STATEMENTS**

To the Mayor and Council of Town of Kerrobert

The accompanying summarized statements of financial position, financial activities, changes in net financial assets and changes in financial position are derived from the complete financial statements of Town of Kerrobert as at December 31, 2017 and for the year then ended on which we expressed an opinion without reservation in our report dated June 27, 2018.

These summarized financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summarized financial statements, therefore, is not a substitute for reading the audited financial statement of Town of Kerrobert.

*Management`s Responsibility for the Summarized Statements*

Management is responsible for the preparation and fair presentation of these summarized 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 summarized financial statements that are free from material misstatement, whether due to fraud or error.

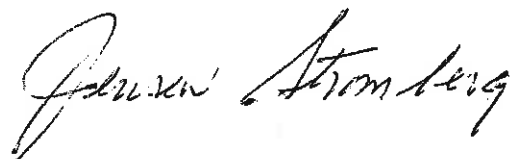
*Auditor`s Responsibility*

Our responsibility is to express an opinion on the summarized financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, ``Engagements to Report on Summary Financial Statements.``

*Opinion*

In our opinion, the summarized financial statements derived from the audited financial statements of Town of Kerrobert for the year ended December 31, 2017 are a fair summary of those financial statements, in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan  
June 27, 2018



Chartered Professional Accountants

# TOWN OF KERROBERT

Statement 1

## STATEMENT OF FINANCIAL POSITION

December 31, 2017  
with comparative figures for 2016

	<u>2017</u>	<u>2016</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments	\$ 1,965,410	2,773,526
Taxes receivable - Municipal	570,462	479,316
Other accounts receivable	209,981	239,812
Land for re-sale	22,622	17,665
Long-term investments	-	-
Debt charges recoverable	-	-
Other	-	-
Total financial assets	<u>2,768,475</u>	<u>3,510,319</u>
<b><u>LIABILITIES</u></b>		
Bank indebtedness	-	-
Accounts payable	761,447	272,330
Accrued liabilities payable	-	-
Deposits	630	1,385
Deferred revenue	-	1,714
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt	5,948,688	5,973,850
Lease obligations	-	-
Total liabilities	<u>6,710,765</u>	<u>6,249,279</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>(3,942,290)</b>	<b>(2,738,960)</b>
Non-financial assets:		
Tangible capital assets	12,468,784	10,983,132
Prepaid and deferred charges	46,353	14,917
Stock and supplies	<u>119,608</u>	<u>120,359</u>
Total non-financial assets	<u>12,634,745</u>	<u>11,118,408</u>
Accumulated Surplus	<u>\$ 8,692,455</u>	<u>8,379,448</u>

**APPROVED ON BEHALF OF COUNCIL:**

Wayne Noel Mayor

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Councillor

# TOWN OF KERROBERT

Statement 2

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2017  
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
<b>Revenues:</b>			
Taxes and other unconditional revenue	\$ 1,740,504	1,756,897	1,688,108
Fees and charges	1,391,995	1,498,921	1,413,354
Conditional grants	100,085	108,656	116,738
Tangible capital asset sales - gain (loss)	60,000	60,000	-
Land sales - gain (loss)	35,256	35,256	8,881
Investment income and commissions	13,040	20,218	19,915
Other revenues	<u>2,700</u>	<u>8,983</u>	<u>24,813</u>
<b>Total Revenues</b>	<b>3,343,580</b>	<b>3,488,931</b>	<b>3,271,809</b>
<b>Expenditures:</b>			
General government services	359,862	345,166	368,174
Protective services	161,581	228,225	208,140
Transportation services	488,389	519,761	516,848
Environmental and public health services	294,390	706,037	263,630
Planning and development services	101,500	42,593	208,099
Recreation and cultural services	599,807	636,165	584,648
Utility services	<u>790,126</u>	<u>878,973</u>	<u>856,347</u>
<b>Total Expenditures</b>	<b><u>2,795,655</u></b>	<b><u>3,356,920</u></b>	<b><u>3,005,886</u></b>
Surplus (deficit) of revenues over expenditures before other capital contributions	<u>547,925</u>	<u>132,011</u>	<u>265,923</u>
Provincial/Federal capital grants and contributions	<u>131,778</u>	<u>180,996</u>	<u>131,573</u>
Surplus (deficit) of revenues over expenditures	679,703	313,007	397,496
Accumulated surplus (deficit), beginning of year	<u>8,379,448</u>	<u>8,379,448</u>	<u>7,981,952</u>
Accumulated surplus (deficit), end of year	<u>\$ 9,059,151</u>	<u>8,692,455</u>	<u>8,379,448</u>

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# TOWN OF KERROBERT

Statement 3

## STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2017  
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
<b>Surplus (deficit)</b>	\$ <u>679,703</u>	<u>313,007</u>	<u>397,496</u>
(Acquisition) of tangible capital assets	(2,175,614)	(1,853,900)	(2,788,817)
Amortization of tangible capital assets	-	368,248	356,924
Proceeds on disposal of tangible capital assets	-	60,000	-
Loss (gain) on disposal of tangible capital assets	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>(2,235,614)</u>	<u>(1,485,652)</u>	<u>(2,431,893)</u>
(Acquisition) of supplies inventories	-	-	(22,431)
(Acquisition) of prepaid expenses	-	(46,353)	(14,916)
Consumption of supplies inventories	-	751	-
Use of prepaid expenses	<u>-</u>	<u>14,917</u>	<u>268,389</u>
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>-</u>	<u>(30,685)</u>	<u>231,042</u>
<b>Increase (decrease) in Net Financial Assets</b>	(1,555,911)	(1,203,330)	(1,803,355)
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>(2,738,960)</u>	<u>(2,738,960)</u>	<u>(935,605)</u>
<b>Net Financial Assets (Debt)- End of year</b>	\$ <u>(4,294,871)</u>	<u>(3,942,290)</u>	<u>(2,738,960)</u>

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# TOWN OF KERROBERT

Statement 4

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2017  
with comparative figures for 2016

Cash provided by (used in) the following activities:	<u>2017</u>	<u>2016</u>
<b>Operating:</b>		
Surplus (deficit)	\$ 313,007	397,496
Amortization	368,248	356,924
Loss (gain) on disposal of tangible capital assets	<u>(60,000)</u>	<u>-</u>
	621,255	754,420
<b>Change in assets/liabilities</b>		
Taxes receivable - Municipal	(91,145)	(168,578)
Other accounts receivable	29,831	160,675
Land for re-sale	(4,958)	(7,931)
Other financial assets	-	-
Accounts and accrued liabilities payable	489,117	120,633
Deposits	(755)	850
Deferred revenue	(1,714)	1,714
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	751	(22,432)
Prepayments and deferred charges	(31,436)	253,472
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>1,010,946</u>	<u>1,092,823</u>
<b>Capital:</b>		
Acquisition of capital assets	(1,853,900)	(2,788,817)
Proceeds from the disposal of capital assets	60,000	-
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(1,793,900)</u>	<u>(2,788,817)</u>
<b>Investing:</b>		
Long-term investments	-	-
Other investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
<b>Financing activities:</b>		
Debt charges recovered	-	-
Long-term debt issued	474,517	3,940,030
Long-term debt repaid	(499,679)	(494,078)
Other financing	<u>-</u>	<u>-</u>
Net cash from (used for) financing	<u>(25,162)</u>	<u>3,445,952</u>
Increase (decrease) in cash resources	(808,116)	1,749,958
Cash and temporary investments, beginning of year	<u>2,773,526</u>	<u>1,023,568</u>
Cash and temporary investments, end of year	<u>\$ 1,965,410</u>	<u>2,773,526</u>

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