

TOWN OF KERROBERT

Auditor's Report

Summarized Financial Statements

December 31, 2022

MANAGEMENT'S RESPONSIBILITY

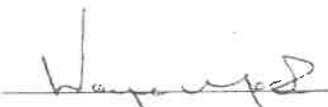
To the Ratepayers of
Town of Kerrobert:

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. The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.


In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the 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 Town'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
SUMMARY FINANCIAL STATEMENTS**

To the Mayor and Council of Town of Kerrobert

Opinion

The summary financial statements, which comprise the summary statement of financial position as at **December 31, 2022**, the summary statement of financial activities, summary statement of changes in net financial assets and summary statement of changes in financial position for the year then ended are derived from the audited financial statements of **Town of Kerrobert** as at **December 31, 2022**.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summarized financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statement and auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated March 29, 2023.

Management's Responsibility for the Summarized Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Saskatoon, Saskatchewan
March 29, 2023


Chartered Professional Accountants

TOWN OF KERROBERT



Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments	\$ 130,235	2,874,117
Taxes receivable - Municipal	324,132	261,926
Other accounts receivable	504,720	240,566
Assets held for sale	174,135	184,135
Long-term investments	-	-
Debt charges recoverable	-	-
Other	<u>-</u>	<u>-</u>
Total financial assets	1,133,222	3,560,744
<u>LIABILITIES</u>		
Bank indebtedness	-	-
Accounts payable	1,021,803	2,173,998
Accrued liabilities payable	-	-
Deposits	700	6,100
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt	3,507,368	4,003,762
Lease obligations	<u>113,162</u>	<u>-</u>
Total liabilities	<u>4,643,033</u>	<u>6,183,860</u>
NET FINANCIAL ASSETS (DEBT)	(3,509,811)	(2,623,116)
Non-financial assets:		
Tangible capital assets	21,221,181	19,119,129
Prepaid and deferred charges	4,970	3,832
Stock and supplies	<u>96,599</u>	<u>132,771</u>
Total non-financial assets	<u>21,322,750</u>	<u>19,255,732</u>
Accumulated surplus	<u>\$ 17,812,939</u>	<u>16,632,616</u>

APPROVED ON BEHALF OF COUNCIL:

 Mayor
 Councillor

See accompanying notes to the financial statements.

TOWN OF KERROBERT

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Revenues:			
Taxes and other unconditional revenue	\$ 1,923,520	1,880,710	1,895,119
Fees and charges	1,431,930	1,351,127	1,285,134
Conditional grants	191,160	211,550	222,625
Tangible capital asset sales - gain (loss)	-	52,672	-
Land sales - gain (loss)	-	5,549	-
Investment income and commissions	27,940	63,944	28,957
Restructurings	-	-	-
Other revenues	<u>3,640</u>	<u>6,276</u>	<u>63,413</u>
Total Revenues	3,578,190	3,571,828	3,495,248
Expenditures:			
General government services	489,400	607,393	425,176
Protective services	192,300	220,939	206,265
Transportation services	449,080	622,099	425,241
Environmental and public health services	358,770	399,456	370,801
Planning and development services	140,420	57,340	57,673
Recreation and cultural services	633,020	728,973	627,218
Utility services	511,100	681,328	686,705
Restructurings	-	-	-
Total Expenditures	<u>2,774,090</u>	<u>3,317,528</u>	<u>2,799,079</u>
Surplus (deficit) of revenues over expenditures before other capital contributions	<u>804,100</u>	<u>254,300</u>	<u>696,169</u>
Provincial/Federal capital grants and contributions	<u>70,420</u>	<u>926,023</u>	<u>3,963,329</u>
Surplus (deficit) of revenues over expenditures	874,520	1,180,323	4,659,498
Accumulated surplus (deficit), beginning of year	<u>16,632,616</u>	<u>16,632,616</u>	<u>11,973,118</u>
Accumulated surplus (deficit), end of year	\$ <u>17,507,136</u>	<u>17,812,939</u>	<u>16,632,616</u>

See accompanying notes to the financial statements.

TOWN OF KERROBERT

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u> <u>Budget</u>	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Surplus (deficit)	\$ 874,520	1,180,323	4,659,498
(Acquisition) of tangible capital assets	(37,010)	(2,497,873)	(7,571,680)
Amortization of tangible capital assets	-	319,993	289,622
Proceeds on disposal of tangible capital assets	-	128,500	10,535
Loss (gain) on disposal of tangible capital assets	-	(52,672)	-
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (deficit) of capital expenses over expenditures	<u>(37,010)</u>	<u>(2,102,052)</u>	<u>(7,271,523)</u>
(Acquisition) of supplies inventories	-	36,173	8,740
(Acquisition) of prepaid expenses	-	(1,139)	1,762
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>(37,010)</u>	<u>35,034</u>	<u>10,502</u>
Increase (decrease) in Net Financial Assets	800,500	(886,695)	(2,601,523)
Net Financial Assets (Debt) - Beginning of the year	<u>(2,623,116)</u>	<u>(2,623,116)</u>	<u>(21,593)</u>
Net Financial Assets (Debt)- End of year	\$ <u>(1,822,616)</u>	<u>(3,509,811)</u>	<u>(2,623,116)</u>

See accompanying notes to the financial statements.

TOWN OF KERROBERT

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2022
with comparative figures for 2021

Cash provided by (used in) the following activities:	<u>2022</u>	<u>2021</u>
Operating:		
Surplus (deficit)	\$ 1,180,323	4,659,498
Amortization	319,993	289,622
Loss (gain) on disposal of tangible capital assets	<u>(52,672)</u>	<u>-</u>
	1,447,644	4,949,120
Change in assets/liabilities		
Taxes receivable - Municipal	(62,207)	59,107
Other accounts receivable	(264,153)	(61,198)
Assets held for sale	10,000	(91,000)
Other financial assets	-	-
Accounts and accrued liabilities payable	(1,152,194)	1,732,402
Deposits	(5,400)	6,000
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	36,172	8,740
Prepayments and deferred charges	(1,138)	1,762
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>8,724</u>	<u>6,604,933</u>
Capital:		
Cash used to acquire tangible capital assets	(2,497,873)	(7,571,680)
Proceeds on sale of tangible capital assets	128,500	10,535
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(2,369,373)</u>	<u>(7,561,145)</u>
Investing:		
Proceeds on disposal of investments	-	-
Acquisition in investment	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
Financing activities:		
Debt charges recovered	-	-
Proceeds from debt issues	-	-
Debt repayment	(496,395)	(653,695)
Capital leases	<u>113,162</u>	<u>(81,009)</u>
Net cash used for financing	<u>(383,233)</u>	<u>(734,704)</u>
Increase (decrease) in cash resources	(2,743,882)	(1,690,916)
Cash and temporary investments, beginning of year	<u>2,874,117</u>	<u>4,565,033</u>
Cash and temporary investments, end of year	\$ <u>130,235</u>	<u>2,874,117</u>

See accompanying notes to the financial statements.

TOWN OF KERROBERT

NOTES TO THE SUMMARIZED FINANCIAL STATEMENTS

December 31, 2022

1. SUMMARY FINANCIAL STATEMENTS

The summary financial statements are derived from the audited financial statements, prepared in accordance with Canadian public sector accounting standards as at December 31, 2022 and December 31, 2021, and for the years then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- a) the summary financial statements include a statement for each statement included in the audited financial statements;
- b) information in the summary financial statements agrees with the related information in the related audited financial statements;
- c) major subtotals, totals and comparative information from the audited financial statements are included; and
- d) the summary financial statements contain the information from the audited financial statements dealing with matters that have a pervasive or otherwise significant effect on the summarized financial statements.

The audited financial statements of Town of Kerrobert are available upon request by contacting the Town.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements consolidate the assets, liabilities and flow of resources of the Town. The entity is comprised of all organizations owned or controlled by the Town and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

The financial statements are prepared using the accrual basis of accounting using the accounting policies that are described in Note 1 to the Town's audited financial statements in accordance with the local government accounting standards established by the Public Sector Accounting Board. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

The preparation of the financial statements in conformity with Canadian public sector accounting standards 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 amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. The measurement of materials and supplies are based on estimates of volume and quality. The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets. These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.