

# **TOWN OF ASQUITH**

**Auditor's Report**

**Summarized Financial Statements**

**December 31, 2019**

## MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of  
**Town of Asquith :**

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.

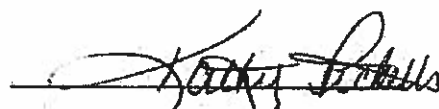
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately 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



CHARTERED PROFESSIONAL ACCOUNTANTS

Bill Jensen, C.P.A. Prof. Corp.  
Jeff Stromberg, C.P.A. Prof. Corp.

## REPORT OF THE INDEPENDENT AUDITOR ON SUMMARY FINANCIAL STATEMENTS

To the Mayor and Council of Town of Asquith

### *Opinion*

The summary financial statements, which comprise the summary statement of financial position as at **December 31, 2019**, 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 Asquith** as at **December 31, 2019**.

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 June 22, 2020.

### *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  
June 22, 2020

Chartered Professional Accountants

# TOWN OF ASQUITH

Statement 1

## STATEMENT OF FINANCIAL POSITION

December 31, 2019  
with comparative figures for 2018

	<u>2019</u>	<u>2018</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash	\$ 1,272,540	1,060,858
Taxes receivable - Municipal	160,352	140,983
Other accounts receivable	85,054	68,757
Land for re-sale	36,522	36,522
Long term investments	-	-
Debt charges recoverable	-	-
Other	-	-
	1,554,468	1,307,120
<b><u>LIABILITIES</u></b>		
Bank overdraft	-	-
Accounts payable	6,297	12,805
Accrued liabilities payable	1,037	1,213
Deposits	19,720	20,505
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long term debt	329,705	385,297
Lease obligations	-	-
	356,759	419,820
Total liabilities	356,759	419,820
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>1,197,709</b>	<b>887,300</b>
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	4,063,131	4,104,193
Prepaid and deferred charges	8,521	4,912
Stock and supplies	-	-
	4,071,652	4,109,105
Total non-financial assets	4,071,652	4,109,105
Accumulated Surplus (Deficit) (Schedule 8)	<b>\$ 5,269,361</b>	<b>4,996,405</b>

**APPROVED ON BEHALF OF COUNCIL:**

\_\_\_\_\_ Mayor

\_\_\_\_\_ Councillor

See accompanying notes to the financial statements.

# TOWN OF ASQUITH

Statement 2

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>Revenues:</b>			
Taxes and other unconditional revenue	\$ 604,230	598,235	591,547
Fees and charges	407,350	469,682	438,677
Conditional - operating	-	-	-
Tangible capital asset sales - gain (loss)	-	-	-
Land sales - gain (loss)	30,000	-	-
Investment income and commissions	7,500	22,298	4,912
Restructurings (Schedule 4, 5)	-	-	-
Other revenues	<u>3,250</u>	<u>3,010</u>	<u>15,549</u>
<b>Total Revenues</b>	<u>1,052,330</u>	<u>1,093,225</u>	<u>1,050,685</u>
<b>OPERATING EXPENSES:</b>			
General government services	264,433	241,978	254,050
Protective services	105,360	87,187	82,186
Transportation services	176,940	172,485	157,379
Environmental and public health services	81,150	78,270	83,515
Planning and development services	250	-	-
Recreation and cultural services	36,270	35,370	29,834
Utility services	309,742	281,054	264,032
Restructurings (Schedule 3)	-	-	-
<b>Total Expenditures</b>	<u>974,145</u>	<u>896,344</u>	<u>870,996</u>
Surplus (deficit) of revenues over expenditures before other capital contributions	<u>78,185</u>	<u>196,881</u>	<u>179,689</u>
Provincial/Federal capital grants and contributions (Schedule 4, 5)	<u>36,840</u>	<u>76,075</u>	<u>36,843</u>
Surplus (deficit) of revenues over expenditures	115,025	272,956	216,532
Accumulated surplus (deficit), beginning of year	<u>4,996,405</u>	<u>4,996,405</u>	<u>4,779,873</u>
Accumulated surplus (deficit), end of year	<u>\$ 5,111,430</u>	<u>5,269,361</u>	<u>4,996,405</u>

See accompanying notes to the financial statements.

# TOWN OF ASQUITH

Statement 3

## STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>Surplus (deficit)</b>	\$ <u>115,025</u>	<u>272,956</u>	<u>216,532</u>
(Acquisition) of tangible capital assets	-	(86,052)	(108,216)
Amortization of tangible capital assets	-	127,114	128,148
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>-</u>	<u>41,062</u>	<u>19,932</u>
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(8,521)	(4,912)
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	<u>-</u>	<u>4,912</u>	<u>4,201</u>
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>-</u>	<u>(3,609)</u>	<u>(711)</u>
<b>Increase (decrease) in Net Financial Assets</b>	115,025	310,409	235,753
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>887,300</u>	<u>887,300</u>	<u>651,547</u>
<b>Net Financial Assets (Debt)- End of year</b>	\$ <u>1,002,325</u>	<u>1,197,709</u>	<u>887,300</u>

See accompanying notes to the financial statements.

# TOWN OF ASQUITH

Statement 4

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2019  
with comparative figures for 2018

Cash provided by (used in) the following activities:	<u>2019</u>	<u>2018</u>
Operating:		
Surplus (deficit)	\$ 272,956	216,532
Amortization	127,114	128,148
Loss (gain) on disposal of tangible capital assets	-	-
	400,070	344,680
Change in assets/liabilities		
Taxes receivable - Municipal	(19,369)	13,342
Other accounts receivable	(16,298)	35,540
Land for re-sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	(6,686)	13,782
Deposits	(785)	505
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	-	-
Prepayments and deferred charges	(3,607)	(712)
Other	-	-
Net cash from operations	353,325	407,137
Capital:		
Acquisition of capital assets	(86,052)	(108,216)
Proceeds from the disposal of capital assets	-	-
Other capital	-	-
Net cash used for capital	(86,052)	(108,216)
Investing:		
Long-term investments	-	-
Other investments	-	-
Net cash from investing	-	-
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(55,591)	(57,298)
Other financing	-	-
Net cash used for financing	(55,591)	(57,298)
Increase (decrease) in cash resources	211,682	241,623
Cash and temporary investments, beginning of year	1,060,858	819,235
Cash and temporary investments, end of year	\$ 1,272,540	1,060,858

See accompanying notes to the financial statements.

# TOWN OF ASQUITH

## NOTES TO THE SUMMARIZED FINANCIAL STATEMENTS

December 31, 2019

### **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, 2019 and December 31, 2018, 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 Asquith 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.