

Management's Responsibility

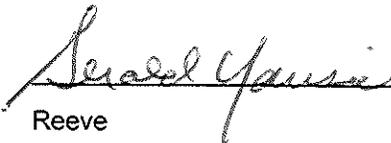
To the Ratepayers,
Rural Municipality of Colonsay No. 342:

Management is responsible for the preparation and presentation of the accompanying consolidated 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 standards 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 consolidated 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 consolidated financial statements.

The Council is composed of elected officials who are not employees of the municipality. 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.

C.S. Skrupski CPA Professional Corporation, an independent Chartered Professional Accountant firm, is appointed by Council to audit the consolidated 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.


Reeve

April 13, 2016


Administrator

C.S. Skrupski
CPA Professional Corporation

INDEPENDENT AUDITOR'S REPORT

Reeve and Members of Council,
Rural Municipality of Colonsay No. 342:

I have audited the accompanying consolidated financial statements of the Rural Municipality of Colonsay No. 342, which are comprised of the consolidated statement of financial position as at December 31, 2015, and the consolidated statements of operations, change in net financial assets, and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the consolidated 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 municipality'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 consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Colonsay No. 342 as at December 31, 2015, and the results of its operations and cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Rosthern, Saskatchewan
April 13, 2016


CPA Professional Corporation

Rural Municipality of Colonsay No. 342
 Consolidated Statement of Financial Position
 As at December 31, 2015

Statement 1

	2015	2014
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	1,499,160	1,523,868
Taxes Receivable - Municipal (Note 3)	16,593	30,169
Other Accounts Receivable (Note 4)	151,430	205,808
Land for Resale (Note 5)	-	-
Long-term Investments (Note 6)	58,151	61,346
Debt Charges Recoverable (Note 7)	-	-
Other	-	-
Total Financial Assets	1,725,334	1,821,191
LIABILITIES		
Bank Indebtedness (Note 8)	-	-
Accounts Payable	16,731	11,746
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 9)	-	151,864
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long-term Debt (Note 12)	98,936	121,886
Lease Obligations (Note 13)	-	-
Total Liabilities	115,667	285,496
NET FINANCIAL ASSETS (NET DEBT)	1,609,667	1,535,695
Non-financial Assets		
Tangible Capital Assets (Schedule 6, 7)	3,467,913	3,363,856
Prepayments and Deferred Charges	78	74
Stock and Supplies	548,251	515,399
Other (Note 14)	-	-
Total Non-financial Assets	4,016,242	3,879,329
Accumulated Surplus (Deficit) (Schedule 8)	5,625,909	5,415,024

Rural Municipality of Colonsay No. 342
 Consolidated Statement of Operations
 For the Year Ended December 31, 2015

Statement 2

	2015 Budget	2015	2014
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	1,253,060	1,221,056	1,089,534
Fees and Charges (Schedule 4, 5)	48,295	56,604	145,310
Conditional Grants (Schedule 4, 5)	4,000	5,295	7,612
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	68,185	26,099
Land Sales - Gain (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	23,000	17,368	30,437
Other Revenues (Schedule 4, 5)	-	-	-
Total Revenues	1,328,355	1,368,508	1,298,992
Expenses			
General Government Services (Schedule 3)	192,860	185,473	185,571
Protective Services (Schedule 3)	38,030	40,140	31,618
Transportation Services (Schedule 3)	1,434,040	1,198,963	868,232
Environmental and Public Health Services (Schedule 3)	19,980	16,006	18,089
Planning and Development Services (Schedule 3)	6,420	1,229	1,414
Recreation and Cultural Services (Schedule 3)	14,800	14,774	14,174
Utility Services (Schedule 3)	7,040	6,228	5,205
Total Expenses	1,713,170	1,462,813	1,124,303
Surplus (Deficit) of Revenues Over Expenses Before Other Capital Contributions	(384,815)	(94,305)	174,689
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	313,630	305,190	13,609
Surplus (Deficit) of Revenues Over Expenses	(71,185)	210,885	188,298
Accumulated Surplus (Deficit), Beginning of Year	5,415,024	5,415,024	5,226,726
Accumulated Surplus (Deficit), End of Year	5,343,839	5,625,909	5,415,024

Rural Municipality of Colonsay No. 342
 Consolidated Statement of Change in Net Financial Assets
 For the Year Ended December 31, 2015

Statement 3

	<i>2015 Budget</i>	2015	2014
Surplus (Deficit)	<i>(71,185)</i>	210,885	188,298
(Acquisition) of Tangible Capital Assets	<i>(119,675)</i>	(268,925)	(466,740)
Amortization of Tangible Capital Assets	<i>164,880</i>	164,868	150,984
Proceeds on Disposal of Tangible Capital Assets	<i>-</i>	68,185	26,100
Loss (Gain) on the Disposal of Tangible Capital Assets	<i>-</i>	(68,185)	(26,099)
Surplus (Deficit) of Capital Expenses over Expenditures	<i>45,205</i>	(104,057)	(315,755)
(Acquisition) of Supplies Inventories	<i>-</i>	(548,251)	(515,399)
(Acquisition) of Prepaid Expense	<i>-</i>	(78)	(74)
Consumption of Supplies Inventory	<i>-</i>	515,399	593,688
Use of Prepaid Expense	<i>-</i>	74	30
Surplus (Deficit) of Other Non-financial Expenses Over Expenditures	<i>-</i>	(32,856)	78,245
Increase (Decrease) in Net Financial Assets	<i>(25,980)</i>	73,972	(49,212)
Net Financial Assets (Net Debt) - Beginning of Year	<i>1,535,695</i>	1,535,695	1,584,907
Net Financial Assets (Net Debt) - End of Year	<i>1,509,715</i>	1,609,667	1,535,695

Rural Municipality of Colonsay No. 342
 Consolidated Statement of Cash Flow
 For the Year Ended December 31, 2015

Statement 4

	2015	2014
Cash Provided by (Used for) the Following Activities		
Operating:		
Surplus (Deficit)	210,885	188,298
Amortization	164,868	150,984
Loss (Gain) on Disposal of Tangible Capital Assets	(68,185)	(26,099)
	307,568	313,183
Changes in Assets/Liabilities:		
Taxes Receivable - Municipal	13,576	13,529
Other Receivables	54,379	369,738
Land for Resale	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	4,983	7,626
Deposits	-	-
Deferred Revenue	(151,864)	-
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies for Use	(32,851)	78,289
Prepayments and Deferred Charges	(4)	(44)
Other	-	-
Net Cash From (Used for) Operations	195,787	782,321
Capital:		
Acquisition of Tangible Capital Assets	(268,925)	(466,740)
Proceeds From the Disposal of Tangible Capital Assets	68,185	26,100
Other Capital	-	-
Net Cash From (Used for) Capital	(200,740)	(440,640)
Investing:		
Long-term Investments	3,195	(2,248)
Other Investments	-	-
Net Cash From (Used for) Investing	3,195	(2,248)
Financing:		
Debt Charges Recovered	-	-
Long-term Debt Issued	-	-
Long-term Debt Repaid	(22,950)	(21,962)
Other Financing	-	-
Net Cash From (Used for) Financing	(22,950)	(21,962)
Increase (Decrease) in Cash Resources	(24,708)	317,471
Cash and Investments - Beginning of Year	1,523,868	1,206,397
Cash and Investments - End of Year	1,499,160	1,523,868

The accompanying notes are an integral part of these financial statements.
 C.S. Skrupski CPA Professional Corporation

