

TOWN OF COLONSAY

Auditor's Report

Consolidated Financial Statements

December 31, 2022



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*denotes professional corporation

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of Town of Colonsay

Report on the consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Town of Colonsay, which comprise the consolidated statement of financial position as at December 31, 2022 and the consolidated statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements, present fairly, in all material respects, the financial position of the Town as at December 31, 2022 and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of Town of Colonsay for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those statements on June 13, 2022.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and the use of the going concern basis of accounting unless management either intends to liquidate the Town or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibility for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saskatoon, Saskatchewan
June 21, 2023


Chartered Professional Accountants

TOWN OF COLONSAY

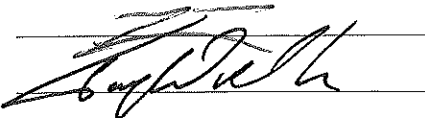
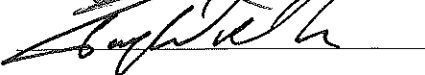
Statement 1

CONSOLIDATED 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 (Note 2)	\$ 873,634	852,098
Taxes Receivable - Municipal (Note 3)	43,831	49,963
Other accounts receivable (Note 4)	98,178	68,071
Assets held for sale (Note 5)	18,127	20,021
Long-term investments	-	-
Debt charges recoverable	-	-
Other	-	-
Total financial assets	1,033,770	990,153
<u>LIABILITIES</u>		
Bank indebtedness	-	-
Accounts payable	7,477	1,961
Accrued liabilities payable	-	-
Deposits	24,195	23,525
Deferred revenue	3,675	16,441
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt (Note 6)	-	-
Lease obligations	-	-
Total liabilities	35,347	41,927
NET FINANCIAL ASSETS (DEBT)	998,423	948,226
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	2,663,922	2,670,827
Prepaid and deferred charges	786	265
Stock and supplies	4,444	3,991
Total non-financial assets	2,669,152	2,675,083
Accumulated Surplus (Deficit) (Schedule 8)	\$ 3,667,575	3,623,309

APPROVED ON BEHALF OF COUNCIL:


Mayor

Councillor

See accompanying notes to the financial statements.

TOWN OF COLONSAY

Statement 2

CONSOLIDATED 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	(Schedule 1)	\$ 489,020	487,530	496,043
Fees and charges	(Schedule 4, 5)	268,620	509,951	411,319
Conditional grants	(Schedule 4, 5)	8,370	11,098	2,779
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	300	-
Land sales - gain	(Schedule 4, 5)	25,000	-	-
Investment income and commissions	(Schedule 4, 5)	1,800	8,643	2,910
Restructurings	(Schedule 4, 5)	-	-	-
Other revenues	(Schedule 4, 5)	-	160	4,000
Total Revenues		<u>792,810</u>	<u>1,017,682</u>	<u>917,051</u>
Expenditures:				
General government services	(Schedule 3)	178,430	166,619	149,498
Protective services	(Schedule 3)	76,600	61,842	54,415
Transportation services	(Schedule 3)	258,640	257,548	202,343
Environmental and public health services	(Schedule 3)	17,730	16,828	30,220
Planning and development services	(Schedule 3)	-	-	-
Recreation and cultural services	(Schedule 3)	63,170	271,881	179,981
Utility services	(Schedule 3)	224,830	225,325	208,341
Restructurings	(Schedule 3)	-	-	-
Total Expenditures		<u>819,400</u>	<u>1,000,043</u>	<u>824,798</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>(26,590)</u>	<u>17,639</u>	<u>92,253</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>26,600</u>	<u>26,627</u>	<u>74,695</u>
Surplus (deficit) of revenues over expenditures		10	44,266	166,948
Accumulated surplus (deficit), beginning of year		<u>3,623,309</u>	<u>3,623,309</u>	<u>3,456,361</u>
Accumulated surplus (deficit), end of year		<u>\$ 3,623,319</u>	<u>3,667,575</u>	<u>3,623,309</u>

See accompanying notes to the financial statements.

TOWN OF COLONSAY

Statement 3

CONSOLIDATED 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)	\$ <u>10</u>	<u>44,266</u>	<u>166,948</u>
(Acquisition) of tangible capital assets	(171,700)	(158,056)	(148,052)
Amortization of tangible capital assets	164,190	164,959	160,841
Proceeds on disposal of tangible capital assets	-	300	-
Loss (gain) on disposal of tangible capital assets	(25,000)	(300)	-
Transfer of assets/liabilities in restructuring transactions	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (deficit) of capital expenses over expenditures	<u>(32,510)</u>	<u>6,903</u>	<u>12,789</u>
(Acquisition) of supplies inventories	-	(4,444)	(3,991)
(Acquisition) of prepaid expenses	-	(784)	(265)
Consumption of supplies inventories	-	3,991	2,234
Use of prepaid expenses	<u>-</u>	<u>265</u>	<u>10,496</u>
Surplus (deficit) of expenses of other non-financial over expenditures	<u>(32,510)</u>	<u>(972)</u>	<u>8,474</u>
Increase (decrease) in Net Financial Assets	<u>(65,010)</u>	<u>50,197</u>	<u>188,211</u>
Net Financial Assets (Debt) - Beginning of the year	<u>948,226</u>	<u>948,226</u>	<u>760,015</u>
Net Financial Assets (Debt) - End of year	\$ <u>883,216</u>	<u>998,423</u>	<u>948,226</u>

See accompanying notes to the financial statements.

TOWN OF COLONSAY

Statement 4

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2022
with comparative figures for 2021

	<u>2022</u>	<u>2021</u>
Cash provided by (used in) the following activities:		
Operating:		
Surplus (deficit)	\$ 44,266	166,948
Amortization	164,959	160,837
Loss (gain) on disposal of tangible capital assets	<u>(300)</u>	<u>-</u>
	208,925	327,785
Change in assets/liabilities		
Taxes receivable - Municipal	6,131	10,377
Other accounts receivable	(30,107)	(8,983)
Assets held for sale	1,894	-
Other financial assets	-	-
Accounts and accrued liabilities payable	5,520	2,080
Deposits	670	675
Deferred revenue	(12,766)	(14,991)
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	(453)	(1,757)
Prepayments and deferred charges	(522)	10,231
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>179,292</u>	<u>325,417</u>
Capital:		
Cash used to acquire tangible capital assets	(158,056)	(148,052)
Proceeds on sale of tangible capital assets	300	-
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(157,756)</u>	<u>(148,052)</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	-	-
Other financing	<u>-</u>	<u>-</u>
Net cash from financing	<u>-</u>	<u>-</u>
Increase (decrease) in cash resources	21,536	177,365
Cash and temporary investments, beginning of year	<u>852,098</u>	<u>674,733</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 873,634</u>	<u>852,098</u>

See accompanying notes to the financial statements.

TOWN OF COLONSAY

SCHEDULE OF COUNCIL REMUNERATION

Year ended December 31, 2022
with comparative figures for 2021

Position	Name	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor	Tracy Yousie	\$ 3,300	472	3,772
Councillor	Gordon Buckingham	1,500	-	1,500
Councillor	Lonnie Burns	850	-	850
Councillor	Warren Cooper	2,050	-	2,050
Councillor	Amanda Reiman	2,225	207	2,432
Councillor	Anthony Walliser	1,975	-	1,975
Councillor	Pamela Whitrow	2,550	581	3,131
Total		<u>\$ 14,450</u>	<u>1,260</u>	<u>15,710</u>

See accompanying notes to the financial statements.