

**TOWN OF MAPLE CREEK**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**



## INDEPENDENT AUDITOR'S REPORT

To the Council of Town of Maple Creek:

### Qualified Opinion

We have audited the financial statements of Town of Maple Creek, which comprise the statement of financial position as at December 31, 2018, and the statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2018, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Qualified Opinion

Public Sector Accounting Standards require that the Town accrue a liability for the estimated closure and post-closure care costs for its landfill. Due to problems associated with estimations and environmental requirements, we were unable to obtain sufficient and appropriate audit evidence over the extent of landfill closure adjustments required to the Town's financial statements as at December 31, 2018 and December 31, 2017.

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 organization 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 qualified opinion.

### Other Matter

The supplementary information listed in Schedules 1 to 10 has been taken from the accounting records of the organization but has not been audited by us other than in the course of our examination of the aforementioned financial statements to the extent necessary to allow us to render an opinion thereon.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

## INDEPENDENT AUDITOR'S REPORT (continued)

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 organization'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 organization'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 organization 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

  
CPA LLP  
Chartered Professional Accountants

Swift Current, Saskatchewan  
December 17, 2019

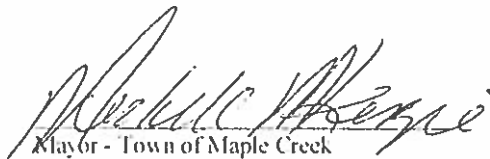
## Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). 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 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 management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

Stark & Marsh CPA LLP, 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 management to discuss their audit findings.

  
Mayor - Town of Maple Creek

  
Administrator

Town of Maple Creek  
Statement of Financial Position  
As at December 31, 2018

Statement 1

	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	864,443	811,164
Taxes Receivable - Municipal (Note 3)	138,733	123,960
Other Accounts Receivable (Note 4)	644,878	492,115
Land for Resale (Note 5)	941,514	941,514
Long-Term Investments (Note 6)	153,488	1,153,488
Debt Charges Recoverable (Note 7)	-	-
Other (equity accounts)	24,521	23,477
<b>Total Financial Assets</b>	<b>2,767,577</b>	<b>3,545,718</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 8)	191,529	-
Accounts Payable	201,995	363,274
Accrued Liabilities Payable	46,762	56,867
Deposits	46,800	20,908
Deferred Revenue (Note 9)	-	-
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	67,311	48,089
Long-Term Debt (Note 12)	1,539,484	2,055,346
Lease Obligations (Note 13)	-	-
<b>Total Liabilities</b>	<b>2,093,881</b>	<b>2,544,484</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>673,696</b>	<b>1,001,234</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	16,883,744	16,439,022
Prepayments and Deferred Charges	-	1,112
Stock and Supplies	-	-
Other (Note 14)	-	-
<b>Total Non-Financial Assets</b>	<b>16,883,744</b>	<b>16,440,134</b>
<b>ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)</b>	<b>17,557,440</b>	<b>17,441,368</b>

Town of Maple Creek  
Statement of Operations  
As at December 31, 2018

Statement 2

	2018 Budget (unaudited)	2018	2017
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	3,921,920	3,711,175	3,522,316
Fees and Charges (Schedule 4, 5)	1,726,360	1,621,078	1,787,089
Conditional Grants (Schedule 4, 5)	113,360	71,431	133,675
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	14,750	(4,359)	14,605
Land Sales - Gain (Schedule 4, 5)	150,000	30,024	11,040
Investment Income and Commissions (Schedule 4, 5)	22,920	21,340	22,690
Other Revenues (Schedule 4, 5)	-	-	-
<b>Total Revenues</b>	<b>5,949,310</b>	<b>5,450,689</b>	<b>5,491,415</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	859,880	892,258	911,460
Protective Services (Schedule 3)	238,630	275,345	244,202
Transportation Services (Schedule 3)	1,592,240	1,251,713	1,379,636
Environmental and Public Health Services (Schedule 3)	533,020	596,212	520,090
Planning and Development Services (Schedule 3)	431,110	386,911	429,001
Recreation and Cultural Services (Schedule 3)	730,740	688,543	705,546
Utility Services (Schedule 3)	1,535,690	1,385,874	1,159,613
<b>Total Expenses</b>	<b>5,921,310</b>	<b>5,476,856</b>	<b>5,349,548</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>28,000</b>	<b>(26,167)</b>	<b>141,867</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	142,280	142,239	140,606
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>170,280</b>	<b>116,072</b>	<b>282,473</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>17,441,368</b>	<b>17,441,368</b>	<b>17,158,895</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>17,611,648</b>	<b>17,557,440</b>	<b>17,441,368</b>

**Town of Maple Creek**  
**Statement of Change in Net Financial Assets**  
**As at December 31, 2018**

Statement 3

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
	<b>(unaudited)</b>		
<b>Surplus (Deficit)</b>	<b>170,280</b>	<b>116,072</b>	<b>282,473</b>
(Acquisition) of tangible capital assets	(590,000)	(1,092,693)	(857,075)
Amortization of tangible capital assets	621,150	643,337	575,991
Proceeds on disposal of tangible capital assets		275	55,875
Loss (gain) on the disposal of tangible capital assets		4,359	(14,605)
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>31,150</b>	<b>(444,722)</b>	<b>(239,814)</b>
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense			
Consumption of supplies inventory			
Use of prepaid expense		1,112	15,000
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>1,112</b>	<b>15,000</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>201,430</b>	<b>(327,538)</b>	<b>57,659</b>
<b>Net Financial Assets (Debt) - Beginning of Year</b>	<b>1,001,234</b>	<b>1,001,234</b>	<b>943,575</b>
<b>Net Financial Assets (Debt) - End of Year</b>	<b>1,202,664</b>	<b>673,696</b>	<b>1,001,234</b>

**Town of Maple Creek  
Statement of Cash Flow  
As at December 31, 2018**

Statement 4

	2018	2017
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	116,072	282,473
Amortization	643,337	575,991
Loss (gain) on disposal of tangible capital assets	4,359	(14,605)
	763,768	843,859
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	(14,773)	(52,806)
Other Receivables	(152,763)	(23,503)
Land for Resale	-	(150,000)
Other Financial Assets	(1,044)	(946)
Accounts and Accrued Liabilities Payable	(171,384)	(92,604)
Deposits	25,892	(567)
Deferred Revenue	-	
Accrued Landfill Costs	-	
Liability for Contaminated Sites	-	
Other Liabilities	19,222	(5)
Stock and Supplies	-	
Prepayments and Deferred Charges	1,112	15,000
Other (Specify)	-	
<b>Cash provided by operating transactions</b>	<b>470,030</b>	<b>538,428</b>
<b>Capital:</b>		
Acquisition of capital assets	(1,092,693)	(857,075)
Proceeds from the disposal of capital assets	275	55,875
Other capital		
<b>Cash applied to capital transactions</b>	<b>(1,092,418)</b>	<b>(801,200)</b>
<b>Investing:</b>		
Long-term investments	1,000,000	(100,000)
Other investments		
<b>Cash provided by (applied to) investing transactions</b>	<b>1,000,000</b>	<b>(100,000)</b>
<b>Financing:</b>		
Debt charges recovered		
Long-term debt issued		208,300
Long-term debt repaid	(515,862)	(1,511,333)
Other financing	191,529	
<b>Cash provided by (applied to) financing transactions</b>	<b>(324,333)</b>	<b>(1,303,033)</b>
<b>Change in Cash and Temporary Investments during the year</b>	<b>53,279</b>	<b>(1,665,805)</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>811,164</b>	<b>2,476,969</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>864,443</b>	<b>811,164</b>