

TOWN OF MAPLE CREEK
FINANCIAL STATEMENTS
DECEMBER 31, 2019



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, 2019, and the statements of operations and net financial assets and changes in 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, 2019, 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, 2019 and December 31, 2018.

Public Sector Accounting Standards require that government partnerships be proportionately consolidated into the financial statements of the Town. As explained in Note 1 (a), the Town has not proportionately consolidated certain government partnerships in which it is a partner. Audited financial statements for these partnerships were unavailable at the time of our audit and, therefore, we were unable to obtain sufficient appropriate audit evidence over the extent of adjustments required to the Town's financial statements regarding these entities as at December 31, 2019 and December 31, 2018.

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 additional 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)

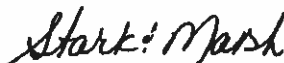
Auditor's Responsibility for the Audit of the Financial Statements

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.



CPA LLP
Chartered Professional Accountants

Swift Current, Saskatchewan
December 22, 2020

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


CAO/Administrator

Town of Maple Creek
Statement of Financial Position
As at December 31, 2019

Statement 1

	2019	2018
FINANCIAL ASSETS		
Cash and Temporary Investments (Note 2)	1,735,763	864,443
Taxes Receivable - Municipal (Note 3)	149,574	138,733
Other Accounts Receivable (Note 4)	658,114	644,878
Land for Resale (Note 5)	941,514	941,514
Long-Term Investments (Note 6)	138,116	153,488
Debt Charges Recoverable (Note 7)	-	-
Other (equity accounts)	10,100	24,521
Total Financial Assets	3,633,181	2,767,577
LIABILITIES		
Bank Indebtedness (Note 8)		191,529
Accounts Payable	466,193	201,995
Accrued Liabilities Payable	49,678	46,762
Deposits	86,900	46,800
Deferred Revenue (Note 9)	52,321	67,311
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)		
Other Liabilities - EPT collections, Mepp	517,183	-
Long-Term Debt (Note 12)	1,667,008	1,539,484
Lease Obligations (Note 13)		
Total Liabilities	2,839,283	2,093,881
NET FINANCIAL ASSETS (DEBT)	793,898	673,696
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 6, 7)	17,628,097	16,883,744
Prepayments and Deferred Charges		
Stock and Supplies		
Other (Note 14)		
Total Non-Financial Assets	17,628,097	16,883,744
ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)	18,421,995	17,557,440

Town of Maple Creek
Statement of Operations
For the fiscal year ended December 31, 2019

Statement 2

	2019 Budget (unaudited)	2019	2018
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	3,993,901	3,822,080	3,711,175
Fees and Charges (Schedule 4, 5)	1,689,674	1,540,525	1,622,453
Conditional Grants (Schedule 4, 5)	69,214	65,172	70,056
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	-	-	(4,359)
Land Sales - Gain (Schedule 4, 5)	30,000	-	30,024
Investment Income and Commissions (Schedule 4, 5)	16,000	42,839	21,340
Restructurings (Schedule 4,5)	-	-	-
Other Revenues (Schedule 4, 5)	-	69,392	-
Total Revenues	5,798,789	5,540,008	5,450,689
EXPENSES			
General Government Services (Schedule 3)	889,663	737,929	892,258
Protective Services (Schedule 3)	241,764	267,211	275,345
Transportation Services (Schedule 3)	1,380,319	1,268,194	1,251,713
Environmental and Public Health Services (Schedule 3)	388,131	514,275	596,212
Planning and Development Services (Schedule 3)	358,850	366,239	386,911
Recreation and Cultural Services (Schedule 3)	608,696	534,678	688,543
Utility Services (Schedule 3)	1,370,403	1,202,861	1,385,874
Restructurings (Schedule 3)	-	-	-
Total Expenses	5,237,826	4,891,387	5,476,856
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	560,963	648,621	(26,167)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	186,684	215,934	142,239
Surplus (Deficit) of Revenues over Expenses	747,647	864,555	116,072
Accumulated Surplus (Deficit), Beginning of Year	17,557,440	17,557,440	17,441,368
Accumulated Surplus (Deficit), End of Year	18,305,087	18,421,995	17,557,440

Town of Maple Creek
Statement of Change in Net Financial Assets
For the fiscal year ended December 31, 2019

Statement 3

	2019 Budget	2019	2018
	(unaudited)		
Surplus (Deficit)	747,647	864,555	116,072
(Acquisition) of tangible capital assets	(671,905)	(1,385,654)	(1,092,693)
Amortization of tangible capital assets	255,072	641,301	643,337
Proceeds on disposal of tangible capital assets			275
Loss (gain) on the disposal of tangible capital assets		-	4,359
Transfer of Assets/Liabilities in Restructuring Transactions		-	-
Surplus (Deficit) of capital expenses over expenditures	(416,833)	(744,353)	(444,722)
(Acquisition) of supplies inventories, net			
(Acquisition) of prepaid expense, net			
Consumption of supplies inventory, net			1,112
Use of prepaid expense, net			1,112
Surplus (Deficit) of expenses of other non-financial over expenditures	-	-	1,112
Increase/Decrease in Net Financial Assets	330,814	120,202	(327,538)
Net Financial Assets (Debt) - Beginning of Year	673,696	673,696	1,001,234
Net Financial Assets (Debt) - End of Year	1,004,510	793,898	673,696

**Town of Maple Creek
Statement of Cash Flow
For the fiscal year ended December 31, 2019**

Statement 4

	2019	2018
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	864,555	116,072
Amortization	641,301	643,337
Loss (gain) on disposal of tangible capital assets	-	4,359
	<u>1,505,856</u>	<u>763,768</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(10,841)	(14,773)
Other Receivables	(13,236)	(152,763)
Land for Resale	-	
Other Financial Assets	14,421	(1,044)
Accounts and Accrued Liabilities Payable	267,114	(171,384)
Deposits	40,100	25,892
Deferred Revenue	(14,990)	
Accrued Landfill Costs	-	
Liability for Contaminated Sites	-	
Other Liabilities	517,183	19,222
Stock and Supplies	-	
Prepayments and Deferred Charges	-	1,112
Other (Specify)	-	
Cash provided by operating transactions	2,305,607	470,030
Capital:		
Acquisition of capital assets	(1,385,654)	(1,092,693)
Proceeds from the disposal of capital assets	-	275
Other capital		
Cash applied to capital transactions	(1,385,654)	(1,092,418)
Investing:		
Long-term investments	15,372	1,000,000
Other investments		
Cash provided by (applied to) investing transactions	15,372	1,000,000
Financing:		
Debt charges recovered		
Long-term debt issued	430,000	
Long-term debt repaid	(494,005)	(515,862)
Other financing		191,529
Cash provided by (applied to) financing transactions	(64,005)	(324,333)
Change in Cash and Temporary Investments during the year	871,320	53,279
Cash and Temporary Investments - Beginning of Year	864,443	811,164
Cash and Temporary Investments - End of Year	1,735,763	864,443