

# **TOWN OF OUTLOOK**

**Auditor's Report**

**Financial Statements**

**December 31, 2017**

## MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of  
**Town of Outlook :**

Management is responsible for the preparation and presentation of the accompanying 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 principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

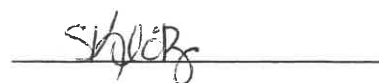
In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of 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 Municipality'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

## INDEPENDENT AUDITOR'S REPORT

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

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

To the Mayor and Council of **Town of Outlook**

### *Report on the Financial Statements*

We have audited the accompanying financial statements of **Town of Outlook**, which comprise the statement of financial position as at **December 31, 2017** and the statements of financial activities, changes in net financial assets, and changes in financial position for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility 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.

### *Auditor's Responsibility*

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Town of Outlook** as at **December 31, 2017**, and the results of its financial activities, change in its net financial assets, and change in its financial position for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan  
June 13, 2018



Chartered Professional Accountants

# TOWN OF OUTLOOK

Statement 1

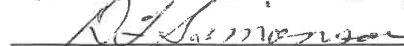
## STATEMENT OF FINANCIAL POSITION

**December 31, 2017**  
with comparative figures for 2016

	<u>2017</u>	<u>2016</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments (Note 2)	\$ 2,743,508	2,720,995
Taxes Receivable - Municipal (Note 3)	130,217	123,977
Other accounts receivable (Note 4)	673,869	482,212
Land for re-sale (Note 5)	853,225	886,006
Long-term investments (Note 6)	<u>500</u>	<u>500</u>
Total financial assets	4,401,319	4,213,690
<b><u>LIABILITIES</u></b>		
Bank indebtedness (Note 7)	-	-
Accounts payable	659,630	156,099
Accrued liabilities payable	-	-
Deposits	75,571	75,299
Deferred revenue	5,785	75
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	63,245	67,105
Long-term debt (Note 8)	1,353,850	-
Lease obligations (Note 9)	39,443	50,967
Amounts held in trust (Note 12)	<u>147,121</u>	<u>155,109</u>
Total liabilities	<u>2,344,645</u>	<u>504,654</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>2,056,674</b>	<b>3,709,036</b>
Non-financial assets:		
Tangible capital assets (Schedule 6, 7)	17,563,258	14,984,011
Prepaid and deferred charges	2,292	2,300
Stock and supplies	<u>34,139</u>	<u>8,560</u>
Total non-financial assets	<u>17,599,689</u>	<u>14,994,871</u>
Accumulated Surplus (Schedule 8)	<u>\$19,656,363</u>	<u>18,703,907</u>

**APPROVED ON BEHALF OF COUNCIL:**

 Mayor

 Councillor

See accompanying notes to the financial statements.

# TOWN OF OUTLOOK

Statement 2

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2017  
with comparative figures for 2016

		<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
Revenues:				
Taxes and other unconditional revenue	(Schedule 1)	\$ 2,667,205	2,676,080	2,523,689
Fees and charges	(Schedule 4, 5)	1,402,329	1,753,982	1,338,432
Conditional grants	(Schedule 4, 5)	151,694	364,342	877,701
Tangible capital asset sales - gain (loss)	(Schedule 4, 5)	-	(22,237)	801
Land sales - gain	(Schedule 4, 5)	-	52,417	22,535
Investment income and commissions	(Schedule 4, 5)	21,350	37,917	25,035
Other revenues	(Schedule 4, 5)	-	<u>40,692</u>	<u>17,223</u>
Total Revenues		<u>4,242,578</u>	<u>4,903,193</u>	<u>4,805,416</u>
Expenditures:				
General government services	(Schedule 3)	644,084	883,679	584,261
Protective services	(Schedule 3)	329,787	348,710	284,142
Transportation services	(Schedule 3)	794,560	771,864	747,327
Environmental and public health services	(Schedule 3)	586,133	681,771	506,921
Planning and development services	(Schedule 3)	148,359	118,579	28,860
Recreation and cultural services	(Schedule 3)	760,626	754,187	671,473
Utility services	(Schedule 3)	<u>589,612</u>	<u>592,936</u>	<u>471,919</u>
Total Expenditures		<u>3,853,161</u>	<u>4,151,726</u>	<u>3,294,903</u>
Surplus (deficit) of revenues over expenditures before other capital contributions		<u>389,417</u>	<u>751,467</u>	<u>1,510,513</u>
Provincial/Federal capital grants and contributions	(Schedule 4, 5)	<u>198,344</u>	<u>200,989</u>	<u>545,750</u>
Surplus (deficit) of revenues over expenditures		587,761	952,456	2,056,263
Accumulated surplus (deficit), beginning of year		<u>18,703,907</u>	<u>18,703,907</u>	<u>16,647,644</u>
Accumulated surplus (deficit), end of year		<u>\$ 19,291,668</u>	<u>19,656,363</u>	<u>18,703,907</u>

See accompanying notes to the financial statements.

# TOWN OF OUTLOOK

Statement 3

## STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2017  
with comparative figures for 2016

	<u>2017</u> <u>Budget</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
<b>Surplus (deficit)</b>	\$ 587,761	952,456	2,056,263
(Acquisition) of tangible capital assets	(4,027,132)	(3,145,303)	(2,371,515)
Amortization of tangible capital assets	528,604	540,219	515,986
Proceeds on disposal of tangible capital assets	-	3,600	65,000
Loss (gain) on disposal of tangible capital assets	-	22,237	(801)
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>(3,498,528)</u>	<u>(2,579,247)</u>	<u>(1,791,330)</u>
(Acquisition) of supplies inventories	-	(25,579)	(14,419)
(Acquisition) of prepaid expenses	-	(2,292)	(2,301)
Consumption of supplies inventories	-	-	11,149
Use of prepaid expenses	-	2,300	87,937
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>-</u>	<u>(25,571)</u>	<u>82,366</u>
<b>Increase (decrease) in Net Financial Assets</b>	(2,910,767)	(1,652,362)	347,299
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>3,709,036</u>	<u>3,709,036</u>	<u>3,361,737</u>
<b>Net Financial Assets (Debt)- End of year</b>	<u>\$ 798,269</u>	<u>2,056,674</u>	<u>3,709,036</u>

See accompanying notes to the financial statements.

# TOWN OF OUTLOOK

Statement 4

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2017  
with comparative figures for 2016

Cash provided by (used in) the following activities:	<u>2017</u>	<u>2016</u>
Operating:		
Surplus (deficit)	\$ 952,456	2,056,263
Amortization	540,219	515,986
Loss (gain) on disposal of tangible capital assets	<u>22,237</u>	<u>(801)</u>
	1,514,912	2,571,448
Change in assets/liabilities		
Taxes receivable - Municipal	(6,240)	(22,694)
Other accounts receivable	(191,657)	(85,677)
Land for re-sale	32,781	29,009
Other financial assets	-	-
Accounts and accrued liabilities payable	503,530	106,424
Deposits	272	(1,456)
Deferred revenue	5,710	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	(11,847)	28,765
Stock and supplies	(25,579)	(3,270)
Prepayments and deferred charges	8	85,638
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>1,821,890</u>	<u>2,708,187</u>
Capital:		
Acquisition of capital assets	(3,145,303)	(2,371,515)
Proceeds from the disposal of capital assets	3,600	65,000
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(3,141,703)</u>	<u>(2,306,515)</u>
Investing:		
Long-term investments	-	-
Other investments	<u>-</u>	<u>-</u>
Net cash from investing	<u>-</u>	<u>-</u>
Financing activities:		
Debt charges recovered	-	-
Long-term debt issued	1,353,850	-
Long-term debt repaid	-	(14,287)
Other financing	<u>(11,524)</u>	<u>50,967</u>
Net cash from financing	<u>1,342,326</u>	<u>36,680</u>
Increase (decrease) in cash resources	22,513	438,352
Cash and temporary investments, beginning of year	<u>2,720,995</u>	<u>2,282,643</u>
Cash and temporary investments, end of year (Note 2)	<u>\$ 2,743,508</u>	<u>2,720,995</u>

See accompanying notes to the financial statements.