

# **TOWN OF OUTLOOK**

**Auditor's Report**

**Summarized Financial Statements**

**December 31, 2019**

## MANAGEMENT'S RESPONSIBILITY

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

Management is responsible for the preparation and presentation of the accompanying summarized financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. 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 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 Town'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

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

## REPORT OF THE INDEPENDENT AUDITOR ON SUMMARY FINANCIAL STATEMENTS

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

### *Opinion*

The summary financial statements, which comprise the summary statement of financial position as at **December 31, 2019**, the summary statement of financial activities, summary statement of changes in net financial assets and summary statement of changes in financial position for the year then ended are derived from the audited financial statements of **Town of Outlook** as at **December 31, 2019**.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1.

### *Summary Financial Statements*

The summary financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summarized financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statement and auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

### *The Audited Financial Statements and Our Report Thereon*

We expressed an unmodified audit opinion on the audited financial statements in our report dated June 24, 2020.

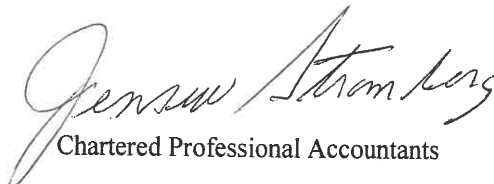
### *Management's Responsibility for the Summarized Statements*

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Saskatoon, Saskatchewan  
June 24, 2020



Chartered Professional Accountants

# TOWN OF OUTLOOK

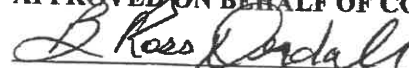
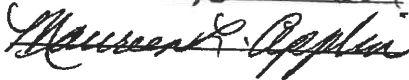
## STATEMENT OF FINANCIAL POSITION

Statement

December 31, 2019  
with comparative figures for 2018

	<u>2019</u>	<u>2018</u>
<b><u>ASSETS</u></b>		
Financial assets:		
Cash and temporary investments	\$ 3,780,669	2,844,489
Taxes Receivable - Municipal	236,409	166,656
Other accounts receivable	420,879	519,814
Land for re-sale	789,084	765,856
Long-term investments	500	500
Debt charges recoverable	-	-
Other	-	-
	-	-
Total financial assets	5,227,541	4,297,315
<b><u>LIABILITIES</u></b>		
Bank indebtedness	-	-
Accounts payable	80,694	254,398
Accrued liabilities payable	-	-
Deposits	88,333	75,880
Deferred revenue	9,282	2,800
Accrued landfill costs	1,011,264	1,000,000
Liability for contaminated sites	-	-
Other liabilities	47,544	60,544
Long-term debt	1,307,660	1,660,443
Lease obligations	226,092	27,142
Amounts held in trust	224,479	198,078
	2,995,348	3,279,285
Total liabilities	2,995,348	3,279,285
<b>NET FINANCIAL ASSETS (DEBT)</b>	2,232,193	1,018,030
Non-financial assets:		
Tangible capital assets	18,314,085	18,415,366
Prepaid and deferred charges	106,068	-
Stock and supplies	134,632	25,776
	18,554,785	18,441,142
Total non-financial assets	18,554,785	18,441,142
Accumulated surplus	\$ 20,786,978	19,459,172

**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, 2019**  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>Revenues:</b>			
Taxes and other unconditional revenue	\$ 2,969,738	2,996,923	2,936,617
Fees and charges	1,529,960	1,704,936	1,655,597
Conditional grants	61,293	64,638	117,224
Tangible capital asset sales - gain (loss)	1,000	2,147	-
Land sales - gain	150,000	164,640	3,744
Investment income and commissions	44,240	67,066	36,075
Restructurings	-	-	-
Other revenues	<u>2,000</u>	<u>19,607</u>	<u>2,125</u>
<b>Total Revenues</b>	<u>4,758,231</u>	<u>5,019,957</u>	<u>4,751,382</u>
<b>Expenditures:</b>			
General government services	722,721	778,759	834,641
Protective services	339,681	318,003	315,350
Transportation services	1,024,014	747,565	835,251
Environmental and public health services	769,721	813,764	1,776,018
Planning and development services	37,100	39,215	18,385
Recreation and cultural services	886,303	793,403	681,401
Utility services	1,040,099	745,537	719,761
Restructurings	-	-	-
<b>Total Expenditures</b>	<u>4,819,639</u>	<u>4,236,246</u>	<u>5,180,807</u>
Surplus (deficit) of revenues over expenditures before other capital contributions	<u>(61,408)</u>	<u>783,711</u>	<u>(429,425)</u>
Provincial/Federal capital grants and contributions	<u>376,000</u>	<u>544,095</u>	<u>232,235</u>
Surplus (deficit) of revenues over expenditures	314,592	1,327,806	(197,190)
Accumulated surplus (deficit), beginning of year	<u>19,459,172</u>	<u>19,459,172</u>	<u>19,656,362</u>
Accumulated surplus (deficit), end of year	<u>\$ 19,773,764</u>	<u>20,786,978</u>	<u>19,459,172</u>

See accompanying notes to the financial statements.

# TOWN OF OUTLOOK

Statement 3

## STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
<b>Surplus (deficit)</b>	\$ 314,592	1,327,806	(197,190)
(Acquisition) of tangible capital assets	(675,850)	(532,745)	(1,458,462)
Amortization of tangible capital assets	621,510	632,016	603,353
Proceeds on disposal of tangible capital assets	-	4,157	3,000
Loss (gain) on disposal of tangible capital assets	(1,000)	(2,147)	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
<b>Surplus (deficit) of capital expenses over expenditures</b>	<u>(55,340)</u>	<u>101,281</u>	<u>(852,109)</u>
(Acquisition) of supplies inventories	-	(108,855)	(5)
(Acquisition) of prepaid expenses	-	(106,069)	-
Consumption of supplies inventories	-	-	8,368
Use of prepaid expenses	-	-	<u>2,292</u>
<b>Surplus (deficit) of expenses of other non-financial over expenditures</b>	<u>(55,340)</u>	<u>(214,924)</u>	<u>10,655</u>
<b>Increase (decrease) in Net Financial Assets</b>	203,912	1,214,163	(1,038,644)
<b>Net Financial Assets (Debt) - Beginning of the year</b>	<u>1,018,030</u>	<u>1,018,030</u>	<u>2,056,674</u>
<b>Net Financial Assets (Debt)- End of year</b>	<u>\$ 1,221,942</u>	<u>2,232,193</u>	<u>1,018,030</u>

See accompanying notes to the financial statements.

# TOWN OF OUTLOOK

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Statement 4

Year ended December 31, 2019  
with comparative figures for 2018

	<u>2019</u>	<u>2018</u>
<b>Cash provided by (used in) the following activities:</b>		
Operating:		
Surplus (deficit)	\$ 1,327,806	(197,190)
Amortization	632,016	603,353
Loss (gain) on disposal of tangible capital assets	<u>(2,147)</u>	<u>-</u>
	1,957,675	406,163
Change in assets/liabilities		
Taxes receivable - Municipal	(69,753)	(36,439)
Other accounts receivable	98,936	145,668
Land for re-sale	(23,228)	87,369
Other financial assets	-	-
Accounts and accrued liabilities payable	(173,705)	(405,231)
Deposits	12,453	309
Deferred revenue	6,482	(2,985)
Accrued landfill costs	11,264	1,000,000
Liability for contaminated sites	-	-
Other liabilities	13,401	56,642
Stock and supplies	(108,856)	8,363
Prepayments and deferred charges	(106,068)	2,292
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>1,618,601</u>	<u>1,262,151</u>
Capital:		
Acquisition of capital assets	(532,745)	(1,458,462)
Proceeds from the disposal of capital assets	4,157	3,000
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(528,588)</u>	<u>(1,455,462)</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	-	500,000
Long-term debt repaid	(352,783)	(193,407)
Capital leases	<u>198,950</u>	<u>(12,301)</u>
Net cash from (used for) financing	<u>(153,833)</u>	<u>294,292</u>
Increase (decrease) in cash resources	936,180	100,981
Cash and temporary investments, beginning of year	<u>2,844,489</u>	<u>2,743,508</u>
Cash and temporary investments, end of year	<u>\$ 3,780,669</u>	<u>2,844,489</u>

See accompanying notes to the financial statements.

# TOWN OF OUTLOOK

## NOTES TO THE SUMMARIZED FINANCIAL STATEMENTS

December 31, 2019

### 1. SUMMARY FINANCIAL STATEMENTS

The summary financial statements are derived from the audited financial statements, prepared in accordance with Canadian public sector accounting standards as at December 31, 2019 and December 31, 2018, and for the years then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- a) the summary financial statements include a statement for each statement included in the audited financial statements;
- b) information in the summary financial statements agrees with the related information in the related audited financial statements;
- c) major subtotals, totals and comparative information from the audited financial statements are included; and
- d) the summary financial statements contain the information from the audited financial statements dealing with matters that have a pervasive or otherwise significant effect on the summarized financial statements.

The audited financial statements of Town of Outlook are available upon request by contacting the Town.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements consolidate the assets, liabilities and flow of resources of the Town. The entity is comprised of all organizations owned or controlled by the Town and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

The financial statements are prepared using the accrual basis of accounting using the accounting policies that are described in Note 1 to the Town's audited financial statements in accordance with the local government accounting standards established by the Public Sector Accounting Board. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. The measurement of materials and supplies are based on estimates of volume and quality. The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets. These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.