

R.M. OF HOODOO NO. 401

Auditor's Report

Summarized Financial Statements

December 31, 2022

MANAGEMENT'S RESPONSIBILITY

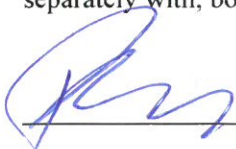
To the Ratepayers of
R.M. of Hoodoo No. 401 :

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. 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 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.



Reeve



Administrator



Bill Jensen, CPA, CA*
Tyler Olafson, CPA, CA*
Jared Udchic, CPA*
Dylan Peace, CPA*

*denotes professional corporation

REPORT OF THE INDEPENDENT AUDITOR ON SUMMARY FINANCIAL STATEMENTS

To the **Reeve** and Council of **R.M. of Hoodoo No. 401**

Opinion

The summary financial statements, which comprise the summary statement of financial position as at **December 31, 2022**, 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 **R.M. of Hoodoo No. 401** as at **December 31, 2022**.

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 April 12, 2023.

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."

A handwritten signature in blue ink that reads "Jensen Stromberg".

Chartered Professional Accountants

Saskatoon, Saskatchewan
April 12, 2023

R.M. OF HOODOO NO. 401

Statement 1

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	\$ 2,451,146	1,883,765
Taxes receivable - Municipal	119,495	182,899
Other accounts receivable	348,548	361,283
Assets held for sale	39,926	42,446
Long-term investments	95,914	122,369
Debt charges recoverable	-	-
Other	-	-
Investment in Wheatland Rail Inc.	<u>931,917</u>	<u>976,820</u>
Total financial assets	3,986,946	3,569,582
<u>LIABILITIES</u>		
Bank indebtedness	-	-
Accounts payable	387,361	79,301
Accrued liabilities payable	164,717	430,778
Deposits	9,500	7,000
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt	1,533,628	1,028,343
Gravel agreement payable	<u>300,000</u>	<u>450,000</u>
Total liabilities	<u>2,395,206</u>	<u>1,995,422</u>
NET FINANCIAL ASSETS (DEBT)	1,591,740	1,574,160
Non-financial assets:		
Tangible capital assets	8,939,762	8,187,892
Prepaid and deferred charges	5,344	1,452
Stock and supplies	1,033,196	1,407,800
Deposit on asset	<u>86,638</u>	<u>-</u>
Total non-financial assets	<u>10,064,940</u>	<u>9,597,144</u>
Accumulated Surplus (Deficit)	<u>\$ 11,656,680</u>	<u>11,171,304</u>
Contingent liabilities		

APPROVED ON BEHALF OF COUNCIL:

_____ Reeve
_____ Councillor

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

Statement 2

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	\$ 2,877,429	2,837,384	2,691,956
Fees and charges	917,547	875,288	1,284,945
Conditional grants	6,760	63,905	141,815
Tangible capital asset sales - gain (loss)	44,900	(47,056)	48,000
Land sales - gain (loss)	-	-	-
Investment income and commissions	22,325	23,045	21,435
Restructurings	-	-	-
Other revenue (loss) - Wheatland Rail Inc.	<u>44,475</u>	<u>(427)</u>	<u>153,661</u>
Total Revenues	<u>3,913,436</u>	<u>3,752,139</u>	<u>4,341,812</u>
Expenditures:			
General government services	516,274	533,097	531,417
Protective services	360,203	271,399	247,778
Transportation services	2,053,441	1,992,277	1,648,845
Environmental and public health services	140,135	116,223	152,650
Planning and development services	100,700	128,242	153,241
Recreation and cultural services	34,871	35,788	33,314
Utility services	292,763	270,400	273,874
Restructurings	-	-	-
Total Expenditures	<u>3,498,387</u>	<u>3,347,426</u>	<u>3,041,119</u>
Surplus (deficit) of revenues over expenditures before other capital contributions	<u>415,049</u>	<u>404,713</u>	<u>1,300,693</u>
Provincial/Federal capital grants and contributions	<u>28,150</u>	<u>80,663</u>	<u>351,069</u>
Surplus (deficit) of revenues over expenditures	443,199	485,376	1,651,762
Accumulated surplus (deficit), beginning of year	<u>11,171,304</u>	<u>11,171,304</u>	<u>9,519,542</u>
Accumulated surplus (deficit), end of year	<u>\$ 11,614,503</u>	<u>11,656,680</u>	<u>11,171,304</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

Statement 3

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)	\$ 443,199	485,376	1,651,762
(Acquisition) of tangible capital assets	(767,304)	(1,333,584)	(1,982,823)
Amortization of tangible capital assets	391,525	378,763	432,120
Proceeds on disposal of tangible capital assets	-	155,898	50,500
Loss (gain) on disposal of tangible capital assets	(44,900)	47,056	(48,000)
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (deficit) of capital expenses over expenditures	<u>(420,679)</u>	<u>(751,867)</u>	<u>(1,548,203)</u>
(Acquisition) of supplies inventories	-	(2,921)	-
(Acquisition) of gravel inventories	-	-	(403,703)
(Acquisition) of prepaid expenses and deposits	-	(91,981)	(1,452)
Consumption of supplies inventories	-	947	29,375
Consumption of gravel inventories	-	376,574	186,731
Use of prepaid expenses and deposits	-	1,452	886
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>284,071</u>	<u>(188,163)</u>
Increase (decrease) in Net Financial Assets	22,520	17,580	(84,604)
Net Financial Assets (Debt) - Beginning of the year	<u>1,574,160</u>	<u>1,574,160</u>	<u>1,658,764</u>
Net Financial Assets (Debt) - End of year	<u>\$ 1,596,680</u>	<u>1,591,740</u>	<u>1,574,160</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2022
with comparative figures for 2021

Cash provided by (used in) the following activities:	<u>2022</u>	<u>2021</u>
Operating:		
Surplus (deficit)	\$ 485,376	1,651,762
Amortization	378,763	432,120
Loss (gain) on disposal of tangible capital assets	<u>47,056</u>	<u>(48,000)</u>
	911,195	2,035,882
Change in assets/liabilities		
Taxes receivable - Municipal	63,404	17,745
Other accounts receivable	12,735	(40,467)
Assets held for sale	2,519	(40,850)
Other financial assets	-	-
Accounts and accrued liabilities payable	(108,004)	(97,916)
Deposits	2,500	3,000
Deferred revenue	-	-
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Stock and supplies	374,604	(187,597)
Prepayments and deferred charges	(3,891)	(566)
Other (Deposits on assets)	<u>(86,638)</u>	<u>-</u>
Net cash from operations	<u>1,168,424</u>	<u>1,689,231</u>
Capital:		
Cash used to acquire tangible capital assets	(1,333,584)	(1,982,823)
Proceeds on sale of tangible capital assets	155,898	50,500
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(1,177,686)</u>	<u>(1,932,323)</u>
Investing:		
Proceeds on disposals of investments	71,357	(163,598)
Acquisition in investment	<u>-</u>	<u>-</u>
Net cash from (used for) investing	<u>71,357</u>	<u>(163,598)</u>
Financing activities:		
Debt charges recovered	-	-
Proceeds from debt issues	800,000	-
Debt repayment	(294,714)	(179,202)
Other financing	<u>-</u>	<u>-</u>
Net cash from (used for) financing	<u>505,286</u>	<u>(179,202)</u>
Increase (decrease) in cash resources	567,381	(585,892)
Cash and temporary investments, beginning of year	<u>1,883,765</u>	<u>2,469,657</u>
Cash and temporary investments, end of year	<u>\$ 2,451,146</u>	<u>1,883,765</u>

See accompanying notes to the financial statements.

R.M. OF HOODOO NO. 401

NOTES TO THE SUMMARIZED FINANCIAL STATEMENTS

December 31, 2022

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, 2022 and December 31, 2021, 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 R.M. of Hoodoo No. 401 are available upon request by contacting the Municipality.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all organizations owned or controlled by the Municipality 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 Municipality'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.