

RURAL MUNICIPALITY OF RUDY NO. 284

Auditor's Report

Summarized Financial Statements

December 31, 2021

DRAFT

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Rural Municipality of Rudy No. 284:

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 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 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.

Jensen Stromberg Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the councilors 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

REPORT OF THE INDEPENDENT AUDITOR ON SUMMARIZED FINANCIAL STATEMENTS

To the **Reeve** and Council of **Rural Municipality of Rudy No. 284**

Opinion

The summary financial statements, which comprise the summary statement of financial position as at **December 31, 2021**, 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 **Rural Municipality of Rudy No. 284** as at **December 31, 2021**.

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 22, 2022.

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 22, 2022

Chartered Professional Accountants

RURAL MUNICIPALITY OF RUDY NO. 284

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2021
with comparative figures for 2020

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Financial assets:		
Cash and temporary investments	\$ 2,177,456	1,994,888
Taxes receivable	46,122	91,548
Other accounts receivable	85,126	55,270
Land for re-sale	-	-
Long-term investments	70,290	65,195
Other	<u>-</u>	<u>-</u>
Total financial assets	2,378,994	2,206,901
<u>LIABILITIES</u>		
Bank indebtedness	-	-
Accounts payable	160,474	50,122
Accrued liabilities payable	2,302	3,169
Deposits	16,700	16,700
Deferred revenue	148	148
Accrued landfill costs	-	-
Other liabilities	150	150
Long-term debt	104,718	144,127
Lease obligations	<u>-</u>	<u>-</u>
Total liabilities	<u>284,492</u>	<u>214,416</u>
NET FINANCIAL ASSETS	2,094,502	1,992,485
Non-financial assets:		
Tangible capital assets	3,002,222	2,723,644
Prepaid and deferred charges	6,763	3,241
Stock and supplies	<u>112,410</u>	<u>141,268</u>
Total non-financial assets	<u>3,121,395</u>	<u>2,868,153</u>
Accumulated surplus	<u>\$ 5,215,897</u>	<u>4,860,638</u>

Contingent Liabilities (Note)

APPROVED ON BEHALF OF COUNCIL:

_____ Reeve
_____ Councillor

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2021
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
Revenues:			
Taxes and other unconditional revenue	\$ 1,648,781	1,629,281	1,552,144
Fees and charges	27,440	72,901	76,830
Conditional grants	71,235	85,982	79,360
Tangible capital asset sales - gain (loss)	-	(3,800)	-
Land sales - gain (loss)	-	-	-
Investment income and commissions	9,900	9,462	14,620
Other revenues	-	84,687	-
Total Revenues	<u>1,757,356</u>	<u>1,878,513</u>	<u>1,722,954</u>
Expenditures:			
General government services	414,229	409,935	304,747
Protective services	96,533	57,883	51,974
Transportation services	868,292	1,071,725	905,863
Environmental and public health services	36,500	27,924	35,902
Planning and development services	25,000	1,307	4,500
Recreation and cultural services	10,400	11,262	6,330
Utility services	-	-	2,650
Total Expenditures	<u>1,450,954</u>	<u>1,580,036</u>	<u>1,311,966</u>
Surplus (deficit) of revenues over expenditures before other capital contributions	<u>306,402</u>	<u>298,477</u>	<u>410,988</u>
Provincial/Federal capital grants and contributions	<u>41,240</u>	<u>56,782</u>	<u>41,241</u>
Surplus (deficit) of revenues over expenditures	347,642	355,259	452,229
Accumulated surplus (deficit), beginning of year	<u>4,860,638</u>	<u>4,860,638</u>	<u>4,408,409</u>
Accumulated surplus (deficit), end of year	<u>\$ 5,208,280</u>	<u>5,215,897</u>	<u>4,860,638</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284**Statement 3****STATEMENT OF CHANGES IN NET FINANCIAL ASSETS****Year ended December 31, 2021**
with comparative figures for 2020

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
Surplus (deficit)	\$ 347,642	355,259	452,229
(Acquisition) of tangible capital assets	(264,000)	(489,549)	(227,200)
Amortization of tangible capital assets	10,354	204,171	171,712
Proceeds on disposal of tangible capital assets	-	3,000	-
Loss (gain) on disposal of tangible capital assets	-	3,800	-
Surplus (deficit) of capital expenses over expenditures	<u>(253,646)</u>	<u>(278,578)</u>	<u>(55,488)</u>
(Acquisition) of supplies inventories	-	(6,245)	(507)
(Acquisition) of prepaid expenses	-	(6,763)	(3,241)
Consumption of supplies inventories	-	35,103	9,491
Use of prepaid expenses	-	3,241	1,701
Surplus (deficit) of expenses of other non-financial over expenditures	<u>-</u>	<u>25,336</u>	<u>7,444</u>
Increase (decrease) in Net Financial Assets	93,996	102,017	404,185
Net Financial Assets - Beginning of the year	<u>1,992,485</u>	<u>1,992,485</u>	<u>1,588,300</u>
Net Financial Assets - End of year	<u>\$ 2,086,481</u>	<u>2,094,502</u>	<u>1,992,485</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284**Statement 4****STATEMENT OF CHANGES IN FINANCIAL POSITION****Year ended December 31, 2021**
with comparative figures for 2020

	<u>2021</u>	<u>2020</u>
Cash provided by (used in) the following activities:		
Operating:		
Surplus (deficit)	\$ 355,259	452,229
Amortization	204,171	171,712
Loss (gain) on disposal of tangible capital assets	<u>3,800</u>	<u>-</u>
	563,230	623,941
Change in assets/liabilities		
Taxes receivable - Municipal	45,425	(5,337)
Other accounts receivable	(29,857)	50,139
Land for re-sale	-	-
Other financial assets	-	-
Accounts and accrued liabilities payable	109,487	(27,272)
Deposits	-	-
Deferred revenue	-	148
Other liabilities	-	(36,144)
Stock and supplies for use	28,858	8,985
Prepayments and deferred charges	(3,522)	(1,540)
Other	<u>-</u>	<u>-</u>
Net cash from operations	<u>713,621</u>	<u>612,920</u>
Capital:		
Acquisition of capital assets	(489,549)	(227,200)
Proceeds from the disposal of capital assets	3,000	-
Other capital	<u>-</u>	<u>-</u>
Net cash used for capital	<u>(486,549)</u>	<u>(227,200)</u>
Investing:		
Long-term investments	(5,095)	(4,198)
Other investments	<u>-</u>	<u>-</u>
Net cash used for investing	<u>(5,095)</u>	<u>(4,198)</u>
Financing activities:		
Long-term debt issued	-	-
Long-term debt repaid	(39,409)	(35,861)
Other financing	<u>-</u>	<u>-</u>
Net cash used for financing	<u>(39,409)</u>	<u>(35,861)</u>
Increase (decrease) in cash resources	182,568	345,661
Cash and temporary investments, beginning of year	<u>1,994,888</u>	<u>1,649,227</u>
Cash and temporary investments, end of year	<u>\$ 2,177,456</u>	<u>1,994,888</u>

See accompanying notes to the financial statements.

RURAL MUNICIPALITY OF RUDY NO. 284
NOTES TO THE SUMMARIZED FINANCIAL STATEMENTS

December 31, 2021

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, 2021 and December 31, 2020, 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 Rural Municipality of Rudy No. 284 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.