

INDEPENDENT AUDITOR'S REPORT

To the Council of the RM of Caledonia No 99

We have audited the accompanying financial statements of the RM of Caledonia No 99, which comprise the consolidated statement of financial position as at December 31, 2017, and the statements of operations, changes in net financial assets and cash flow 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 generally accepted accounting principles, 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.

An 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 the 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 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 RM of Caledonia No 99 as at December 31, 2018, and the results of its operations and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

Weyburn, Saskatchewan
June 4, 2019

CERTIFIED GENERAL ACCOUNTANTS

R.M. OF Caledonia No. 99 SYNOPSIS OF ANNUAL FINANCIAL STATEMENT

Consolidated Statement of Financial Position
December 31, 2018

	2018	2017
ASSETS		
Financial Assets		
Cash & Temporary Investments (Note 2)	\$652,315	\$ 610,234
Taxes Receivable - Municipal (Note 3)	195,980	130,133
Other Accounts Receivable (Note 4)	55,107	57,559
Land for Resale (Note 5)	-	-
Long-Term Investments (Note 6)	56,416	70,090
Total Financial Assets	959,818	868,016
LIABILITIES		
Bank Indebtedness (Note 7)	\$ -	\$ -
Accounts Payable	194,306	35,704
Accrued Liabilities Payable	12,866	3,273
Deposits	-	-
Deferred Revenue	26	7,213
Other Liabilities	-	-
Long Term Debt (Note 8)	173,688	263,148
Lease Obligation	-	-
Total Liabilities	309,338	237,246
NET FINANCIAL ASSETS	380,906	309,338
Non-Financial Assets		
Tangible Capital Assets	1,647,950	1,471,241
Prepayments and Deferred Charges	146	239
Stock and Supplies	116,453	107,622
Total Non-Financial Assets	1,764,549	1,579,102
Accumulated Surplus (Deficit) (Schedule 8)	\$ 2,343,461	\$ 2,137,780

Consolidated Statement of Changes in Net Financial Assets Year Ended December 31, 2018

	Budget	2018	2017
Surplus (Deficit)	\$71,778	\$205,681	\$392,415
Acquisition of tangible capital assets	(278,000)	(377,796)	(394,857)
Amortization of tangible capital assets	-	201,086	130,893
Proceeds on disposal of tangible capital assets	-	-	153,700
Loss (gain) on the disposal of tangible capital assets	-	-	(99,558)
Surplus (Deficit) of capital expenses			
Over expenditures	(278,000)	(176,710)	(209,822)
Acquisition of prepaid expense	-	-	121
Consumption of supplies inventory	-	107,621	-
Surplus (Deficit) of expenses of other Nonfinancial over expenditures			
	-	(8,737)	(90,166)
Increase (Decrease) in Net Financial Assets	(206,222)	20,234	102,427
Net Financial Assets - Beginning of Year	558,678	558,678	456,251
Net Financial Assets - End of Year	\$ 352,456	\$ 578,912	\$ 558,678

**Consolidated Statement of Operations
Year Ended December 31, 2018**

	Budget 2018	2018	2017
Revenues			
Taxes & Other Unconditional Revenue (Sched1)	\$ 1,037,914	\$ 1,303,365	\$1,037,454
Fees and Charges (Schedules 4, 5)	4,700	15,421	41,469
Conditional Grants (Schedules 4, 5)	5,470	5,471	5,873
Tangible Capital Asset Sales - Gain (Loss)	-	-	99,558
Land Sales - Gain (Loss) (Schedules 4, 5)	-	-	-
Investment Income and Comm (Sched 4,5)	4,620	10,170	7,049
Other Revenues (Schedules 4, 5)	1,840	1846	1,841
Total Revenues	1,054,544	1,063,273	1,193,244
Expenses			
General Government Services (Schedule 3)	148,507	162,074	143,958
Protective Services (Schedule 3)	12,630	11,788	12,429
Transportation Services (Schedule 3)	795,976	659,813	620,968
Environmental and Public Health Services	33,410	37,597	31,235
Planning and Development Services (Schedule 3)	3,600	4,793	3,603
Recreation and Cultural Services (Schedule 3)	9,690	5,253	10,887
Utility Services (Schedule 3)	6,700	4,470	5,806
Total Expenses	1,010,513	885,788	828,886
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	44,031	177,485	364,358
Provincial/Federal Capital Grants and Contributions (Schedules 4, 5)	27,747	28,196	28,056
Surplus (Deficit) of Revenues over Expenses Accumulated Surplus (Deficit), Beginning of Year	71,778	205,681	392,414
	2,137,780	2,137,780	1,745,366
Accumulated Surplus (Deficit), End of Year	2,209,558	2,343,461	2,137,780

**Consolidated Statement of Cash Flow
Year Ended December 31, 2018**

	2018	2017
OPERATING ACTIVITIES		
Surplus (Deficit)	\$205,681	\$392,415
Items not affecting cash:		
Amortization of property, plant and equipment	201,086	130,893
Loss (Gain) on disposal of assets	-	(99,558)
	406,767	423,750
Changes in non-cash working capital:		
Taxes Receivable - Municipal	(65,847)	(32,880)
Other Accounts Receivable	2,452	(20,137)
Accounts Payable	158,602	11,413
Deferred Revenue	(7,187)	7,169
Accrued Liabilities Payable	9,613	(1,538)
Prepayments and Deferred Charges	93	(121)
Cash flow from operating activities	495,662	307,611
CAPITAL and INVESTING		
Acquisition of capital assets	(377,796)	(394,857)
Proceeds on disposal of prop, plant and equip	-	153,700
Long-Term Investments	13,674	(1,505)
Cash flow used by investing activities	16,674	(1,505)
FINANCING ACTIVITIES		
Proceeds from long term financing	-	175,000
Repayment of long term debt	(89,459)	(119,952)
Cash flow used by financing activities	(89,459)	55,048
Increase (Decrease) in Cash Resources	42,081	119,997
Cash and Investments - Beginning of Year	610,234	490,237
Cash and Investments - END OF YEAR (Note 2)	\$652,315	\$ 610,234

**Schedule of Council Remuneration (Schedule 10)
Year Ended December 31, 2018**

	Remuneration	Reimbursed Costs	Total
Mark Beck - Reeve	\$2,380	\$ 288	\$ 2,668
William Brown	1,688	100	1,500
Chris Williams	1,500	-	3,091
Eldon Terry	1,250	173	1,423
Darcy Phillips	1,500	285	1,785
Aaron Davidson	1,500	216	1,716
Chad Nicholas	1,000	120	1,120
Other reimbursed costs		5,544	5,544
	\$10,818	\$ 6,726	\$17,544