

Town of Milestone

Financial Statements

Consolidated Statement of Financial Position December 31, 2010

	2010	2009
ASSETS		
Financial Assets		
Taxes Receivable - Municipal (Note 3)	\$ 66,924	\$ 49,045
Other Accounts Receivable (Note 4)	147,259	129,833
Land for Resale (Note 5)	129,659	178,320
Long-Term Investments (Note 6)	3,238	3,478
Total Financial Assets	347,080	360,676
LIABILITIES		
Accounts Payable	\$ 1,926	\$ 6,082
Accrued Liabilities Payable	17,927	1,382
Deposits	300	3,300
Other Liabilities	4,470	4,020
Long Term Debt (Note 8)	74,400	100,273
Total Liabilities	99,023	115,057
NET FINANCIAL ASSETS	248,057	245,619
Non-Financial Assets		
Tangible Capital Assets	907,964	847,998
Prepayments and Deferred Charges	76	166
Stock and Supplies	-	-
Total Non-Financial Assets	908,040	848,164
Accumulated Surplus (Deficit) (Schedule 8)	\$ 1,124,149	\$ 1,069,905

Consolidated Statement of Changes in Net Financial Assets Year Ended December 31, 2010

	2009	2010	2009
Surplus (Deficit)	Budget \$ 6,668	\$ 54,244	\$ 10,260
Acquisition of tangible capital assets	-	(144,902)	-
Amortization of tangible capital assets	-	54,936	58,186
Proceeds on disposal of tangible capital assets	-	66,555	-
Loss (gain) on the disposal of tangible capital assets	-	(36,555)	-
Surplus (Deficit) of capital expenses			
Over expenditures	-	(59,966)	58,186
Acquisition of prepaid expense	-	-	(730)
Consumption of supplies inventory	-	90	-
Surplus (Deficit) of expenses of other			
Nonfinancial over expenditures	-	90	(730)
Increase (Decrease) in Net Financial Assets	6,668	(5,632)	67,716
Net Financial Assets - Beginning of Year	221,741	221,741	154,025
Net Financial Assets - End of Year	228,409	216,109	221,741

Consolidated Statement of Operations Year Ended December 31, 2010

	Budget 2010	2010	2009
Revenues			
Taxes & Other Unconditional Revenue(Sched1)	\$ 402,890	\$ 394,300	\$ 361,936
Fees and Charges (Schedules 4, 5)	107,770	134,902	128,236
Conditional Grants (Schedules 4, 5)	600	1,783	3,419
Tangible Capital Asset Sales - Gain (Loss)	-	36,555	-
Land Sales - Gain (Loss) (Schedules 4, 5)	-	3,838	(3,254)
Investment Income and Commissions(Sched4 , 5)	480	7,518	517
Other Revenues (Schedules 4, 5)	-	3,525	-
Total Revenues	511,740	582,421	490,854
Expenses			
General Government Services (Schedule 3)	53,654	47,517	57,932
Protective Services (Schedule 3)	52,515	50,935	48,952
Transportation Services (Schedule 3)	237,870	228,279	192,984
Environmental and Public Health Services	37,304	32,490	34,135
Planning and Development Services (Schedule 3)	1,000	6,780	13,531
Recreation and Cultural Services (Schedule 3)	53,904	55,762	56,225
Utility Services (Schedule 3)	102,807	106,414	137,973
Total Expenses	539,054	528,177	541,732
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(27,314)	54,244	(50,878)
Provincial/Federal Capital Grants and Contributions (Schedules 4, 5)	33,982	-	61,138
Surplus (Deficit) of Revenues over Expenses	6,668	54,244	10,260
Accumulated Surplus (Deficit), Beginning of Year	1,069,905	1,069,905	1,059,645
Accumulated Surplus (Deficit), End of Year	1,076,573	1,124,149	1,069,905

Town of Milestone

Financial Statements

Consolidated Statement of Cash Flow Year Ended December 31, 2010

	2010	2009
OPERATING ACTIVITIES		
Surplus (Deficit)	\$ 54,244	\$ 10,260
Items not affecting cash:		
Amortization of property, plant and equipment	54,936	58,186
Gain on disposal of assets	<u>(36,555)</u>	<u>-</u>
	72,625	68,446
Changes in non-cash working capital:		
Taxes Receivable - Municipal	(17,879)	(5,436)
Other Accounts Receivable	(17,426)	58,195
Land for Resale	48,661	35,694
Accounts Payable	4,156	(31,351)
Accrued Liabilities Payable	16,545	472
Other Liabilities	450	1,800
Deposits	(3,000)	3,000
Prepayments and Deferred Charges	<u>90</u>	<u>(730)</u>
	23,285	61,644
Cash flow from operating activities	95,910	130,090
INVESTING ACTIVITIES		
Additions to capital assets	(144,902)	-
Proceeds on disposal of prop, plant and equip	66,555	-
Long-Term Investments	<u>240</u>	<u>(240)</u>
Cash flow used by investing activities	(78,107)	(240)
FINANCING ACTIVITIES		
Proceeds from long term financing	74,400	-
Repayment of long term debt	<u>(100,273)</u>	<u>(131,949)</u>
Cash flow used by financing activities	(25,873)	(131,949)
DECREASE IN CASH FLOW	(8,070)	(2,099)
Deficiency - beginning of year	<u>(23,878)</u>	<u>(21,779)</u>
DEFICIENCY - END OF YEAR (Note 2)	<u>\$ (31,948)</u>	<u>\$ (23,878)</u>

Schedule of Council Remuneration (Schedule 10) Year Ended December 31, 2010

	Remuneration	Reimbursed Costs	Total
Jeff Brown - Mayor	\$ 650	\$ -	\$ 650
Bernie Churko	480	-	480
Beverly Siebert	520	-	520
Judy Moorhead	520	-	520
Neil Garratt	280	-	280
Mike Sjodin	480	-	480
Greg Treleaven	440	-	440
Unspecified reimbursed costs	<u>-</u>	<u>458</u>	<u>458</u>
	\$ 3,370	\$ 458	\$ 3,828

INDEPENDENT AUDITOR'S REPORT

To the Council of the Town of Milestone

We have audited the accompanying financial statements of the Town of Milestone, which comprise the consolidated statement of financial position as at December 31, 2010, 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 Town of Milestone as at December 31, 2010, 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
May 6, 2011

CERTIFIED GENERAL ACCOUNTANTS