

Management's Responsibility

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 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 fulfills 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.

Cogent Chartered Professional Accountants LLP, 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.



Mr James Gray, Mayor



Maureen Moen, Administrator

Colonsay, SK
May 08, 2017

INDEPENDENT AUDITOR'S REPORT

To the Council of the Town of Colonsay

We have audited the accompanying consolidated financial statements of the Town of Colonsay, which comprise the consolidated statement of financial position as at December 31, 2016 and the consolidated statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

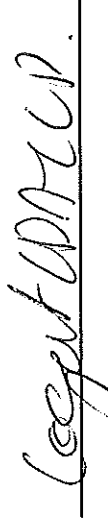
Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Colonsay as at December 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The financial statements of the prior period were audited by another Chartered Professional Accountant. That accountant issued a unqualified opinion. The Auditor's Report was dated April 11, 2016.

Rosthern, SK
May 8, 2017


Chartered Professional Accountants

TOWN OF COLONSAY

Consolidated Statement of Financial Position

December 31, 2016

	2016	2015
FINANCIAL ASSETS		
CURRENT		
Cash and Temporary Investments (Note 2)	\$ 457,595	\$ 413,807
Taxes Receivable - Municipal	73,341	79,977
Other Accounts Receivable (Note 4)	64,659	57,559
Land for Resale (Note 5)	12,663	25,103
Long-Term Investments (Note 6)	-	-
Debt Charges Recoverable (Note 7)	-	-
Other	-	-
Total Financial Assets	608,258	576,446
LIABILITIES		
Bank indebtedness (Note 8)	-	-
Accounts Payable	46,809	28,253
Accrued Liabilities Payable	-	-
Deposits	21,160	20,000
Deferred Revenue (Note 9)	-	-
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 12)	-	-
Lease Obligations (Note 13)	-	-
Total Liabilities	67,969	48,253
NET FINANCIAL ASSETS	540,289	528,193
NON-FINANCIAL ASSETS		
Tangible Capital Assets	2,426,752	2,099,593
Prepayments and Deferred Charges	1,971	2,196
Stock and Supplies	2,842	2,140
Other (Note 14)	-	-
Total Non-Financial Assets	2,431,565	2,103,929
ACCUMULATED SURPLUS (Schedule 8)	\$ 2,971,854	\$ 2,632,122

TOWN OF COLONSAY

Consolidated Statement of Operations

Year Ended December 31, 2016

Statement 2

	2016	2015
REVENUES		
Schedule of Taxes and Other Unconditional Revenue (Schedule 1)	\$ 490,440	\$ 494,612
Fees and Charges (Schedule 4, 5)	197,310	216,813
Conditional Grants (Schedule 4, 5)	-	1,200
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)	-	-
Land Sales - Gain (Loss) (Schedule 4, 5)	42,600	21,170
Investment Income and Commissions (Schedule 4, 5)	1,500	1,557
Other Revenues (Schedule 4, 5)	-	327,871
Total Revenues	731,850	1,063,223
EXPENSES		
General Government Services (Schedule 3)	147,350	159,216
Protective Services (Schedule 3)	55,410	50,438
Transportation Services (Schedule 3)	256,090	242,199
Environmental and Public Health Services (Schedule 3)	14,880	13,858
Planning and Development Services (Schedule 3)	-	-
Recreation and Cultural Services (Schedule 3)	48,510	337,444
Utility Services (Schedule 3)	294,880	232,252
Total Expenses	817,120	1,035,407
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(85,270)	27,816
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	31,380	311,916
Surplus (Deficit) of Revenues over Expenses	(53,890)	339,732
Accumulated surplus - beginning of year	-	2,632,122
Accumulated surplus (deficit) - end of year	\$ (53,890)	\$ 2,971,854
		\$ 2,632,122

TOWN OF COLONSAY

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2016

Statement 3

	Budget 2016	2016	2015
Surplus (Deficit)	\$ (53,890)	\$ 339,732	\$ 33,917
(Acquisition) of tangible capital assets	-	(430,669)	(148,523)
Amortization of tangible capital assets	-	103,509	106,383
Proceeds on disposal of tangible capital assets	-	-	-
Loss (gain) on the disposal of tangible capital assets	-	-	-
Surplus (Deficit) of capital expenses over expenditures	-	(327,160)	(42,140)
	(53,890)	12,572	(8,223)
(Acquisition) of supplies inventories	-	(2,140)	(2,140)
(Acquisition) of prepaid expense	-	(1,971)	(2,196)
Consumption of supplies inventory	-	2,140	3,315
Use of prepaid expense	-	2,195	2,165
Surplus (Deficit) of expenses of other non-financial over expenditures	-	224	1,144
Increase/Decrease in Net Financial Assets	(53,890)	12,796	(7,079)
Net Financial Assets (Debt) - Beginning of Year	528,193	528,193	535,272
Net Financial Assets (Debt) - End of Year	\$ 474,303	\$ 540,989	\$ 528,193

TOWN OF COLONSAY

Consolidated Statement of Cash Flows

Year Ended December 31, 2016

Statement 4

	2016	2015
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 339,732	\$ 33,917
Amortization	103,509	106,383
Loss (gain) on disposal of tangible capital assets	-	-
	<u>443,241</u>	<u>140,300</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	6,636	(12,622)
Other Receivables	(7,100)	33,531
Other Land	12,440	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	18,557	19,665
Deposits	1,160	875
Deferred Revenue	-	-
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	(702)	1,175
Prepayments and Deferred Charges	225	(31)
Other	-	-
	<u>31,216</u>	<u>42,593</u>
Cash provided by operating transactions	<u>474,457</u>	<u>182,893</u>
Capital:		
Acquisition of capital assets	(430,669)	(148,523)
Proceeds from the disposal of capital assets	-	-
Other capital	-	-
Cash applied to capital transactions	<u>(430,669)</u>	<u>(148,523)</u>
Investing:		
Long-term investments	-	-
Other investments	-	-
Cash provided by (applied to) investing transactions	<u>(430,669)</u>	<u>(148,523)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	(26,708)
Other financing	-	-
Cash provided by (applied to) financing transactions	<u>-</u>	<u>(26,708)</u>
Change in Cash and Temporary Investments during the year	<u>43,788</u>	<u>7,662</u>
Cash and Temporary Investments - beginning of year	<u>413,807</u>	<u>406,145</u>
Cash and Temporary Investments - end of year (Note 2)	<u>\$ 457,595</u>	<u>\$ 413,807</u>

TOWN OF COLONSAY

Schedule of Council Remuneration

As at December 31, 2016

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	James Gray	\$ 3,600	\$ 472	\$ 4,072
Councillor	Bryan Beggs	975	-	975
Councillor	Lonnie Burns	1,275	-	1,275
Councillor	Warren Cooper	2,000	362	2,362
Councillor	Anthony Walliser	1,475	171	1,646
Councillor	Tracy Youise	1,875	219	2,094
Councillor	Scott Yausie	1,775	219	1,994
		-	-	-
		-	-	-
Total		\$ 12,975	\$ 1,443	\$ 14,418