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## Management's Responsibility

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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 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.

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.

  
Randi Wood, Administrator

  
Mr. Gerald Yausie, Reeve

Colonsay, SK  
May 09, 2018

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## INDEPENDENT AUDITOR'S REPORT

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To the Council of the Rural Municipality of Colonsay No. 342

We have audited the accompanying consolidated financial statements of the Rural Municipality of Colonsay No. 342, which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statements of operations and cash flow 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 Rural Municipality of Colonsay No. 342 as at December 31, 2017 and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Rosthern, SK  
May 28, 2018

  
Chartered Professional Accountants

RURAL MUNICIPALITY OF COLONSAY NO. 342

Consolidated Statement of Financial Position

As at December 31, 2017

Statement 1

**FINANCIAL ASSETS**

Cash and Temporary Investments (Note 2)	\$ 1,235,890	\$ 1,685,876
Taxes Receivable - Municipal (Note 3)	31,218	34,126
Other Accounts Receivable (Note 4)	192,119	268,846
Other Land (Note 5)	-	-
Long-Term Investments (Note 6)	62,791	61,083
Debt Charges Recoverable (Note 7)	-	-
Other	-	-
<b>Total Financial Assets</b>	<b>1,522,018</b>	<b>2,049,931</b>

**LIABILITIES**

Bank indebtedness (Note 8)	-	-
Accounts Payable	4,495	12,784
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue (Note 9)	-	-
Accrued Landfill Costs (Note 10)	-	-
Liability for Contaminated Sites (Note 11)	-	-
Other Liabilities	-	-
Long term debt (Note 12)	49,903	74,965
Lease Obligations (Note 13)	-	-
<b>Total Liabilities</b>	<b>54,398</b>	<b>87,749</b>

**NET FINANCIAL ASSETS**

<b>1,467,620</b>	<b>1,962,182</b>
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**NON-FINANCIAL ASSETS**

Tangible Capital Assets(Schedule 6, 7)	4,040,716	3,618,856
Prepayments and Deferred Charges	28	44
Stock and Supplies	611,897	510,475
Other (Note 14)	-	-
<b>Total Non-Financial Assets</b>	<b>4,652,641</b>	<b>4,129,375</b>

**ACCUMULATED SURPLUS (Schedule 8)**

<b>\$ 6,120,261</b>	<b>\$ 6,091,557</b>
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## RURAL MUNICIPALITY OF COLONSAY NO. 342

## Consolidated Statement of Operations

As at December 31, 2017

Statement 2

	Budget	2017	2016
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue ( Schedule 1)	\$ 1,266,990	\$ 1,260,868	\$ 1,267,404
Fees and Charges (Schedule 4, 5)	52,860	36,050	(18,479)
Conditional Grants (Schedule 4, 5)	13,500	13,952	14,064
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	-	(116,952)	-
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	22,500	20,387	23,129
Other Revenues (Schedule 4, 5)	-	-	-
<b>Total Revenues</b>	<b>1,355,850</b>	<b>1,214,305</b>	<b>1,286,118</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	204,400	231,471	207,195
Protective Services (Schedule 3)	46,070	42,845	41,937
Transportation Services (Schedule 3)	1,396,450	827,310	797,603
Environmental and Public Health Services (Schedule 3)	63,420	75,949	22,937
Planning and Development Services (Schedule 3)	1,500	980	1,262
Recreation and Cultural Services (Schedule 3)	14,800	14,881	14,774
Utility Services (Schedule 3)	7,040	6,757	7,267
<b>Total Expenses</b>	<b>1,733,680</b>	<b>1,200,193</b>	<b>1,092,975</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>(377,830)</b>	<b>14,112</b>	<b>193,143</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	414,300	14,592	272,502
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>36,470</b>	<b>28,704</b>	<b>465,645</b>
Accumulated Surplus (Deficit), Beginning of Year	6,091,557	6,091,557	5,625,912
<b>ACCUMULATED SURPLUS - END OF YEAR</b>	<b>\$ 6,128,027</b>	<b>\$ 6,120,261</b>	<b>\$ 6,091,557</b>

RURAL MUNICIPALITY OF COLONSAY NO. 342

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2017

Statement 3

	2017 Budget	2017	2016
<b>Surplus (Deficit)</b>	\$ 36,470	\$ 28,704	\$ 465,645
(Acquisition) of tangible capital assets	(161,980)	(879,325)	(323,833)
Amortization of tangible capital assets	174,290	156,522	172,893
Proceeds on disposal of tangible capital assets	-	183,990	-
Loss (gain) on the disposal of tangible capital assets	-	116,952	-
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>12,310</b>	<b>(421,861)</b>	<b>(150,940)</b>
(Acquisition) of supplies inventories	-	(611,897)	(510,475)
(Acquisition) of prepaid expense	-	(26)	(43)
Consumption of supplies inventory	-	510,475	548,251
Use of prepaid expense	-	43	78
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>(101,405)</b>	<b>37,811</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>48,780</b>	<b>(494,562)</b>	<b>352,516</b>
<b>Net Financial Assets (Debt) - Beginning of Year</b>	<b>1,962,182</b>	<b>1,962,182</b>	<b>1,609,666</b>
<b>Net Financial Assets (Debt) - End of Year</b>	<b>\$ 2,010,962</b>	<b>\$ 1,467,620</b>	<b>\$ 1,962,182</b>

## Consolidated Statement of Cash Flow

Year Ended December 31, 2017

Statement 4

	2017	2016
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	\$ 28,704	\$ 465,645
Amortization	156,522	172,893
Loss (gain) on disposal of tangible capital assets	116,952	-
	<u>302,178</u>	<u>638,538</u>
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	2,908	(17,332)
Other Receivables	76,727	(121,624)
Other Land	-	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payabl	(8,290)	60
Deposits	-	-
Deferred Revenue	-	-
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	(101,422)	37,776
Prepayments and Deferred Charges	18	34
Other	-	-
	<u>(30,059)</u>	<u>(101,086)</u>
<b>Cash provided by operating transactions</b>	<u>272,119</u>	<u>537,452</u>
<b>Capital:</b>		
Acquisition of capital assets	(879,325)	(323,833)
Proceeds from disposal of capital assets	183,990	-
Other capital	-	-
<b>Cash applied to capital transactions</b>	<u>(695,335)</u>	<u>(323,833)</u>
<b>Investing:</b>		
Long-Term Investments	(1,708)	(2,932)
Other investments	-	-
<b>Cash provided by (applied to) investing transactions</b>	<u>(697,043)</u>	<u>(326,765)</u>
<b>Financing:</b>		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(25,062)	(23,971)
Other financing	-	-
<b>Cash provided by (applied to) financing transactions</b>	<u>(25,062)</u>	<u>(23,971)</u>
<b>Change in Cash and Temporary Investments during the year</b>	<u>(449,986)</u>	<u>186,716</u>
<b>Cash and Temporary Investments - Beginning of Year</b>	<u>1,685,876</u>	<u>1,499,160</u>
<b>Cash and Temporary Investments - End of Year (Note 2)</b>	<u>\$ 1,235,890</u>	<u>\$ 1,685,876</u>

## Schedule of Council Remuneration

As at December 31, 2017

Schedule 10

	Name	Remuneration	Reimbursed Costs	Total
<b>Position</b>				
<b>Mayor</b>	Gerald Yausie	\$ 3,900	\$ 736	\$ 4,636
Councillor	Alan Garner	3,338	185	3,523
Councillor	Pat Mulhall	4,350	648	4,998
Councillor	Bruce Reinbold	4,125	933	5,058
Councillor	Duncan McVicar	2,550	130	2,680
Councillor	Brian Rugg	3,750	1,359	5,109
Councillor	Marvin Lang	4,725	1,200	5,925
		-	-	-
<b>Total</b>		\$ 26,738	\$ 5,191	\$ 31,929