



**REPORT OF THE INDEPENDENT AUDITOR
ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS**

To the Council of Town of Rosetown:

Qualified Opinion

The summary financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2019, the summary consolidated statements of operations, changes in net financial assets and cash flow for the year then ended, and related notes, are derived from the audited consolidated financial statements of Town of Rosetown for the year ended December 31, 2019. We expressed a qualified audit opinion on those financial statements in our report dated March 16, 2020.

In our opinion, the accompanying summary financial statements are a fair summary of the audited consolidated financial statements, in accordance with Canadian public sector accounting standards. However, the summary consolidated financial statements are qualified to the equivalent extent as the audited consolidated financial statements of Town of Rosetown for the year ended December 31, 2019.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summary consolidated financial statements and the auditor's report thereon, is not a substitute for reading the organization's audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed a qualified audit opinion on the audited consolidated financial statements in our report dated March 16, 2020 because in the prior year, the Town of Rosetown accrued \$778,432 for landfill closure costs for the year ended December 31, 2018. The amount of the prior year increase in accrual was charged to expenses in the year ended December 31, 2018, even though a portion of the expense was previously incurred and should have been recognized in prior years. As a result, our opinion on the prior year's results is modified because of the possible effects of this matter on the comparability of the comparative information.

Our report also includes the following commentary:

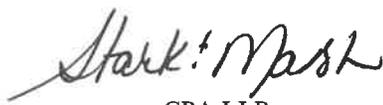
- We included an Other Matter paragraph referring to the supplementary information listed in Schedule 10, which has been taken from the accounting records of the organization but has not been audited by us other than in the course of our examination of the aforementioned financial statements to the extent necessary to allow us to render an opinion thereon.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary of the audited consolidated financial statements in accordance with Canadian public sector accounting standards.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based upon our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.


CPA LLP
Chartered Professional Accountants

Town of Rosetown
Consolidated Statement of Financial Position
As at December 31, 2019

Statement 1

	2019	2018
FINANCIAL ASSETS		
Cash and Temporary Investments	3,784,494	2,829,884
Taxes Receivable - Municipal	274,178	163,413
Other Accounts Receivable	320,277	339,596
Land for Resale	203,183	231,847
Long-Term Investments	1,666,968	1,639,805
Debt Charges Recoverable	-	-
Other (Specify)	-	-
Total Financial Assets	6,249,100	5,204,545
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable	389,925	144,733
Accrued Liabilities Payable	-	-
Deposits	103,579	100,724
Deferred Revenue	34,012	57,417
Accrued Landfill Costs	2,278,432	2,278,432
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Long-Term Debt	4,337,230	4,551,950
Lease Obligations	-	-
Total Liabilities	7,143,178	7,133,256
NET FINANCIAL ASSETS (DEBT)	(894,078)	(1,928,711)
NON-FINANCIAL ASSETS		
Tangible Capital Assets	19,204,565	18,938,742
Prepayments and Deferred Charges	123,707	128,421
Stock and Supplies	7,750	-
Other	-	-
Total Non-Financial Assets	19,336,022	19,067,163
ACCUMULATED SURPLUS (DEFICIT)	18,441,944	17,138,452

Town of Rosetown
Consolidated Statement of Operations
For the fiscal year ended December 31, 2019

Statement 2

	2019 Budget	2019	2018
	(unaudited)		
REVENUES			
Taxes and Other Unconditional Revenue	3,963,303	4,000,873	3,883,326
Fees and Charges	3,203,950	3,184,128	3,127,478
Conditional Grants	68,500	75,698	165,040
Tangible Capital Asset Sales - Gain	-	(807)	(771)
Land Sales - Gain	-	15,886	-
Investment Income and Commissions	49,000	107,366	75,884
Restructurings	-	-	-
Other Revenues	35,000	52,237	87,071
Total Revenues	7,319,753	7,435,381	7,338,028
EXPENSES			
General Government Services	787,638	733,350	678,001
Protective Services	417,282	431,298	399,070
Transportation Services	1,217,368	1,075,454	1,041,434
Environmental and Public Health Services	2,084,078	1,948,998	2,692,712
Planning and Development Services	30,950	6,602	96,069
Recreation and Cultural Services	1,178,831	1,025,849	1,137,061
Utility Services	1,457,277	1,202,526	1,142,814
Restructurings	-	-	-
Total Expenses	7,173,424	6,424,077	7,187,161
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	146,329	1,011,304	150,867
Provincial/Federal Capital Grants and Contributions	141,000	292,188	141,569
Surplus (Deficit) of Revenues over Expenses	287,329	1,303,492	292,436
Accumulated Surplus (Deficit), Beginning of Year	17,138,452	17,138,452	16,846,016
Accumulated Surplus (Deficit), End of Year	17,425,781	18,441,944	17,138,452

Town of Rosetown
Consolidated Statement of Change in Net Financial Assets
For the fiscal year ended December 31, 2019

Statement 3

	2019 Budget	2019	2018
	(unaudited)		
Surplus (Deficit)	287,329	1,303,492	292,436
(Acquisition) of tangible capital assets	(3,801,695)	(1,313,238)	(1,439,586)
Amortization of tangible capital assets	939,634	1,043,008	971,525
Proceeds on disposal of tangible capital assets		3,600	-
Loss (gain) on the disposal of tangible capital assets		807	771
Transfer of Assets/Liabilities in Restructuring Transactions		-	-
Surplus (Deficit) of capital expenses over expenditures	(2,862,061)	(265,823)	(467,290)
(Acquisition) of supplies inventories		(7,750)	2,225
(Acquisition) of prepaid expense		4,714	(14,049)
Consumption of supplies inventory			
Use of prepaid expense			
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(3,036)	(11,824)
Increase/Decrease in Net Financial Assets	(2,574,732)	1,034,633	(186,678)
Net Financial Assets (Debt) - Beginning of Year	(1,928,711)	(1,928,711)	(1,742,033)
Net Financial Assets (Debt) - End of Year	(4,503,443)	(894,078)	(1,928,711)

**Town of Rosetown
Consolidated Statement of Cash Flow
For the fiscal year ended December 31, 2019**

Statement 4

	2019	2018
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	1,303,492	292,436
Amortization	1,043,008	971,527
Loss (gain) on disposal of tangible capital assets	807	771
	<u>2,347,307</u>	<u>1,264,734</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	(110,765)	(81,964)
Other Receivables	19,319	135,832
Land for Resale	28,664	-
Other Financial Assets	-	-
Accounts and Accrued Liabilities Payable	245,192	(244,090)
Deposits	2,855	4,895
Deferred Revenue	(23,405)	(91,728)
Accrued Landfill Costs	-	778,432
Liability for Contaminated Sites	-	-
Other Liabilities	-	-
Stock and Supplies	(7,750)	2,225
Prepayments and Deferred Charges	4,714	(14,049)
Other (Specify)	-	-
Cash provided by operating transactions	2,506,131	1,754,287
Capital:		
Acquisition of capital assets	(1,313,238)	(1,439,586)
Proceeds from the disposal of capital assets	3,600	-
Other capital	-	-
Cash applied to capital transactions	(1,309,638)	(1,439,586)
Investing:		
Long-term investments	(27,163)	475,745
Other investments	-	-
Cash provided by (applied to) investing transactions	(27,163)	475,745
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	(214,720)	(212,442)
Other financing	-	-
Cash provided by (applied to) financing transactions	(214,720)	(212,442)
Change in Cash and Temporary Investments during the year	954,610	578,004
Cash and Temporary Investments - Beginning of Year	<u>2,829,884</u>	<u>2,251,880</u>
Cash and Temporary Investments - End of Year	3,784,494	2,829,884

Town of Rosetown
Schedule of Council Remuneration (unaudited)
As at December 31, 2019

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Mayor	Adam Krieser	8,087		8,087
Mayor	Subhas Maharaj	4,918		4,918
Councillor	Rick Bell	7,387		7,387
Councillor	Trevor Hay	8,422		8,422
Councillor	Darcy Olson	8,376		8,376
Councillor	Ryan Wickett	8,150		8,150
Councillor	Rome Molsberry	9,998		9,998
Councillor	Blair Wingert	7,387		7,387
		-		-
				-
				-
				-
				-
Total		62,725	-	62,725