

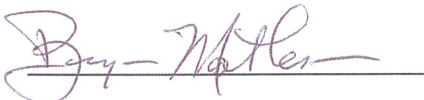
Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting policies and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

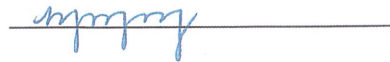
In discharging its responsibilities for the integrity and fair presentation of the financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that 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 management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

Dudley & Company 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 is attached to the financial statements. The external auditors have full and free access to both the Council and management to communicate their audit findings.



Council



Administration

INDEPENDENT AUDITORS' REPORT

To the Mayor and Councillors
Town of Lumsden

Opinion

We have audited the financial statements of the **TOWN OF LUMSDEN**, which comprise the statement of financial position as at December 31, 2021 and the statements of operations, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to dissolve the municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the municipality's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over-ride of internal control.
- Obtain an understanding of internal control relevant to the audit 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 municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Dudley & Company LLP
Chartered Professional Accountants

Regina, Saskatchewan
June 26, 2022

TOWN OF LUMSDEN
Statement of Financial Position
As at December 31, 2021

Statement 1

	2021	2020
ASSETS		
Financial Assets		
Cash & Temporary Investments (Note 2)	\$ 4,036,230	\$ 6,869,602
Taxes Receivable - Municipal (Note 3)	171,270	138,212
Other Accounts Receivable (Note 4)	2,235,947	2,966,257
Land for Resale (Note 5)	-	-
Other Investments	-	-
Other	-	-
Total Financial Assets	6,443,447	9,974,071
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable (Note 6)	1,030,039	3,139,263
Accrued Liabilities Payable	-	-
Deposits	59,266	117,272
Deferred Revenue (Note 7)	144,351	118,416
Accrued Landfill Costs (Note 8)	1,732,980	1,916,228
Liability for Contaminated Sites	-	-
Long-Term Debt (Note 9)	6,504,212	6,882,553
Lease Obligations	-	-
Other Liabilities	-	-
Total Liabilities	9,470,848	12,173,732
NET FINANCIAL ASSETS (NET DEBT)	(3,027,401)	(2,199,661)
Non-Financial Assets		
Tangible Capital Assets (Schedules 6, 7)	34,180,073	30,996,161
Prepayment and Deferred Charges	18,681	16,986
Stock and Supplies	73,243	36,225
Other	-	-
Total Non-Financial Assets	34,271,997	31,049,372
Accumulated Surplus (Deficit) (Schedule 8)	\$ 31,244,596	\$ 28,849,711

The accompanying notes form an integral part of these financial statements.

TOWN OF LUMSDEN
Statement of Operations
For the year ended December 31, 2021

Statement 2

		2021 Budget	2021	2020
Revenues				
Taxes and Other Unconditional Revenue	(Schedule 1)	\$ 2,223,731	\$ 2,226,715	\$ 2,312,476
Fees and Charges	(Schedule 4, 5)	1,651,980	1,892,413	1,744,211
Conditional Grants	(Schedule 4, 5)	137,655	128,458	102,001
Tangible Capital Assets Sales -Gain (Loss)	(Schedule 4, 5)	-	429	43,852
Land Sales - Gain	(Schedule 4, 5)	-	-	-
Investment Income and Commissions	(Schedule 4, 5)	16,711	19,852	59,544
Other Revenues	(Schedule 4, 5)	11,624	12,122	11,677
Total Revenues		4,041,701	4,279,989	4,273,761

Expenses				
General Government Services	(Schedule 3)	392,226	407,019	376,684
Protective Services	(Schedule 3)	313,465	327,034	306,319
Transportation Services	(Schedule 3)	582,428	691,360	761,394
Environmental and Public Health Services	(Schedule 3)	310,969	136,544	372,310
Planning and Development Services	(Schedule 3)	218,389	173,130	158,285
Recreation and Cultural Services	(Schedule 3)	390,106	507,299	447,051
Utility Services	(Schedule 3)	1,181,319	1,222,095	953,039
Total Expenses		3,388,902	3,464,481	3,375,082

Surplus (Deficit) before Other Capital Contributions		652,799	815,508	898,679
Other Capital Contributions (Schedule 4, 5)		1,644,961	1,579,377	8,274,108
Surplus (Deficit) of Revenues over Expenses		2,297,760	2,394,885	9,172,787
Accumulated Surplus (Deficit), Beginning of Year		28,849,711	28,849,711	19,676,924
Accumulated Surplus (Deficit), End of Year		\$ 31,147,471	\$ 31,244,596	\$ 28,849,711

The accompanying notes form an integral part of these financial statements.