



Report of the Independent Auditors' on the Summary Consolidated Financial Statements

To the Council
Town of Preeceville

Opinion

The consolidated summary financial statements, which comprise the summary consolidated Statement of Financial Position as at December 31, 2023, 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 Preeceville for the year ended December 31, 2023. We expressed a qualified audit opinion on those consolidated financial statements in our report dated May 28, 2024.

In our opinion, the accompanying consolidated summary financial statements are a fair summary of the audited consolidated financial statements, on the basis described in note 1. However, the summary consolidated financial statements are misstated to the equivalent extent as the audited consolidated financial statements of Town of Preeceville for the year ended December 31, 2023.

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 auditors' report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditors' 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 May 28, 2024.

PS 3280 asset retirement obligations requires the municipality to recognize a liability at the reporting date for future costs that the municipality is legally obligated to incur for the retirement of a tangible capital asset. The municipality has not attempted to identify buildings which may contain asbestos and require remediation upon the retirement of the building. A liability has not been recognized for these costs. As insufficient information is available with regards to the extent and expected costs of the likely remediation activities, we are unable to determine the asset retirement obligation liability that would have been recognized on the current or prior year's statement of financial position, or the impacts on expenses, surplus and accumulated surplus of the current or prior year.

Subsequent to year end, an employee of the municipality was terminated and a settlement agreement was reached, the details of which the municipality is restricted from disclosing under a non-disclosure agreement. This lack of disclosure constitutes a departure from Canadian public sector accounting standards.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis described in note 1.

Auditors' 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 on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, Engagements to Report on Summary Consolidated Financial Statements.

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
May 28, 2024

Town of Preeceville
Preeceville, Saskatchewan
Consolidated Statement of Financial Position as at December 31, 2023

Statement 1

	2023	2022
Assets		
Financial Assets		
Cash and cash equivalents	2,069,674	1,927,252
Investments	213,608	262,428
Taxes receivable - municipal	124,269	99,379
Other accounts receivable	328,448	207,068
Assets held for sale	<u>58,104</u>	<u>41,773</u>
Total Financial Assets	<u>2,794,103</u>	<u>2,537,900</u>
Liabilities		
Accounts payable	62,109	69,891
Accrued liabilities	17,177	18,317
Utility deposits	64,304	60,129
Deferred revenue	452,119	418,559
Long-term debt	<u>361,421</u>	<u>398,018</u>
Total Liabilities	<u>957,130</u>	<u>964,914</u>
Net Financial Assets	<u>1,836,973</u>	<u>1,572,986</u>
Non-Financial Assets		
Tangible capital assets	9,590,388	9,830,053
Prepayments and deferred charges	11,169	9,519
Other land	<u>155,798</u>	<u>155,798</u>
Total Non-Financial Assets	<u>9,757,355</u>	<u>9,995,370</u>
Accumulated Surplus Excluding Remeasurement Gains	<u>\$ 11,594,328</u>	<u>\$ 11,568,356</u>

Town of Preeceville
Consolidated Statement of Operations
For the year ended December 31, 2023

Statement 2

	2023 Budget	2023 Actual	2022 Actual
Revenues			
Tax revenue	1,183,847	1,203,319	1,142,326
Fees and charges	661,478	833,680	827,415
Conditional grants	165,805	158,709	335,759
Tangible capital asset sales - gain (loss)		(6,832)	2,876
Land sales - gain (loss)			(10,963)
Investment income	43,650	70,835	29,514
Other revenues	200	228	2,364
Provincial/Federal Capital Grants and Contributions	75,825		
Total Revenue	<u>2,130,805</u>	<u>2,259,939</u>	<u>2,329,291</u>
Expenses			
General government services	524,523	483,488	463,884
Protective services	133,043	122,177	120,006
Transportation services	435,875	441,225	474,814
Environmental and public health services	224,920	272,301	244,278
Planning and development services	86,000	96,040	26,669
Recreation and cultural services	487,945	356,997	325,551
Utilities services	354,951	461,739	452,015
Total Expenses	<u>2,247,257</u>	<u>2,233,967</u>	<u>2,107,217</u>
Surplus (Deficit) of Revenue over Expenses	(116,452)	25,972	222,074
Accumulated Surplus Excluding Remeasurement Gains, Beginning of Year	<u>11,568,356</u>	<u>11,568,356</u>	<u>11,346,282</u>
Accumulated Surplus Excluding Remeasurement Gains, End of Year	<u>\$ 11,451,904</u>	<u>\$ 11,594,328</u>	<u>\$ 11,568,356</u>

Town of Preeceville
Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2023

Statement 3

	2023 Budget	2023 Actual	2022 Actual
Surplus (Deficit)	(116,452)	25,972	222,074
(Acquisition) of tangible capital assets		(166,932)	(391,044)
Amortization of tangible capital assets		398,354	381,244
Proceeds on disposal of tangible capital assets		450	62,485
Loss (gain) on the disposal of tangible capital assets	0	7,793	(2,876)
Surplus of Capital Expenses over Expenditures	0	239,665	49,809
(Acquisition) of prepaid expense		(11,169)	(9,513)
Use of prepaid expense	0	9,519	8,657
Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures	0	(1,650)	(856)
Increase (Decrease) in Net Financial Assets	(116,452)	263,987	271,027
Net Financial Assets, beginning of year	1,572,986	1,572,986	1,301,959
Net Financial Assets, End of Year	\$ 1,456,534	\$ 1,836,973	\$ 1,572,986

Town of Preeceville
 Consolidated Statement of Cash Flow
 For the year ended December 31, 2023

Statement 4

	2023	2022
Cash Provided by (used for) the Following Activities		
Operating:		
Surplus	25,972	222,074
Amortization	398,354	381,244
Loss (gain) on disposal of tangible capital assets	7,793	(2,876)
	432,119	600,442
Change in Assets/Liabilities		
Taxes receivable - municipal	(24,890)	(18,046)
Other receivables	(121,382)	316,553
Assets held for sale	(16,332)	28,069
Accounts payable	(7,778)	13,058
Accrued liabilities payable	(1,140)	(12,396)
Deposits	4,175	2,075
Deferred revenue	33,559	21,915
Prepayments and deferred charges	(1,650)	(856)
Cash Provided by Operating Transactions	296,681	950,814
Capital:		
Acquisition of capital assets	(166,932)	(391,044)
Proceeds on sale of tangible capital assets	450	62,485
Cash Applied to Capital Transactions	(166,482)	(328,559)
Investing:		
Proceeds on disposal of investments	(50,000)	(261,110)
Acquisition in investment	98,820	260,269
Cash Provided by (Applied to) Investing Transactions	48,820	(841)
Financing:		
Proceeds from debt issues		421,715
Debt repayment	(36,597)	(23,697)
Other liabilities		(1,181,834)
Cash Provided by (Applied to) Financing Transactions	(36,597)	(783,816)
Change in Cash and Cash Equivalents During the Year	142,422	(162,402)
Cash and Cash Equivalents, beginning of year	1,927,252	2,089,654
Cash and Cash Equivalents, End of Year	\$ 2,069,674	\$ 1,927,252

Town of Preeceville
Notes to Summary Consolidated Financial Statements
For the year ended December 31, 2023

1. Basis of the Summary Consolidated Financial Statements

The following criteria have been applied by management in the preparation of these summary consolidated financial statements:

- (a) The information in the summary consolidated financial statements is in agreement with the related information in the municipality's December 31, 2023 audited consolidated financial statements; and
- (b) The summary consolidated financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the audited consolidated financial statements, including the notes thereto.
- (c) The audited consolidated financial statements can be obtained by request at the main branch at the Town office.
- (d) The detailed notes included in the audited consolidated financial statements are not included in the summary consolidated financial statements as these notes are available in the audited consolidated financial statements which can be obtained as described above.