

## **Independent Auditors' Report**

To the Council  
Town of Hudson Bay

### *Report on the Audit of the Financial Statements*

#### *Opinion*

We have audited the financial statements of Town of Hudson Bay, (the municipality), which comprise the Statement of Financial Position as at December 31, 2018 and the Statements of Operations, Changes in Net Financial Assets and Cash Flow 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, 2018, and results of its operations and its cash flow 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 Auditor's 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 either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Council is responsible for overseeing the municipality's financial reporting process.

**Town of Hudson Bay**  
Hudson Bay, Saskatchewan  
Statement of Financial Position as at December 31, 2018

Statement 1

	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
<b>Financial Assets</b>		
Cash and temporary investments - note 2	2,455,155	2,583,162
Taxes receivable - municipal - note 3	72,734	67,420
Other accounts receivable - note 4	374,444	219,885
Land for resale - note 5	333,754	333,754
Long-term investments - note 6	1,739,582	1,440,066
<b>Total Financial Assets</b>	<u>4,975,669</u>	<u>4,644,287</u>
<b>Liabilities</b>		
Accounts payable	181,091	40,890
Utility deposits	44,635	43,705
Deferred revenue - note 7	7,259	19,260
<b>Total Liabilities</b>	<u>232,985</u>	<u>103,855</u>
<b>Net Financial Assets</b>	<u>4,742,684</u>	<u>4,540,432</u>
<b>Non-Financial Assets</b>		
Tangible capital assets - schedules 6 and 7	13,910,559	12,896,828
Prepayments and deferred charges	8,206	1,890
Stock and supplies	18,075	7,980
<b>Total Non-Financial Assets</b>	<u>13,936,840</u>	<u>12,906,698</u>
<b>Accumulated Surplus - schedule 8</b>	<u>\$ 18,679,524</u>	<u>\$ 17,447,130</u>

**Town of Hudson Bay**  
Statement of Operations  
For the year ended December 31, 2018

Statement 2

	2018 Budget (Note 11)	2018 Actual	2017 Actual
<b>Revenues</b>			
Taxes and other unconditional revenue			
- schedule 1	2,389,950	2,404,542	2,417,667
Fees and charges - schedules 4 and 5	1,111,050	1,139,897	1,110,243
Conditional grants - schedules 4 and 5	58,790	76,319	48,236
Tangible capital asset sales - gain			
- schedules 4 and 5	3,020	( 282,944)	
Land sales - gain - schedules 4 and 5	10		
Investment income and commissions			
- schedules 4 and 5	68,230	84,577	64,440
Other revenues - schedules 4 and 5	26,100	67,984	54,564
<b>Total Revenue</b>	<u>3,657,150</u>	<u>3,490,375</u>	<u>3,695,150</u>
<b>Expenses - schedule 3</b>			
General government services	494,790	489,126	484,544
Protective services	251,840	221,412	211,724
Transportation services	949,170	995,149	851,964
Environmental and public health services	287,800	282,635	271,683
Planning and development services	245,570	248,614	251,351
Recreation and cultural services	811,450	765,965	729,037
Utilities services	747,530	680,917	751,087
<b>Total Expenses</b>	<u>3,788,150</u>	<u>3,683,818</u>	<u>3,551,390</u>
<b>Surplus (Deficit) of Revenues over Expenses Before Other Capital Contributions</b>	( 131,000)	( 193,443)	143,760
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>1,503,750</u>	<u>1,425,837</u>	<u>226,893</u>
<b>Surplus of Revenue over Expenses</b>	1,372,750	1,232,394	370,653
<b>Accumulated Surplus, Beginning of Year</b>	<u>17,447,130</u>	<u>17,447,130</u>	<u>17,076,477</u>
<b>Accumulated Surplus, End of Year</b>	<u>\$ 18,819,880</u>	<u>\$ 18,679,524</u>	<u>\$ 17,447,130</u>

**Town of Hudson Bay**  
Statement of Change in Net Financial Assets  
For the year ended December 31, 2018

Statement 3

	<b>2018 Budget (Note 11)</b>	<b>2018 Actual</b>	<b>2017 Actual</b>
<b>Surplus</b>	<u>1,372,750</u>	<u>1,232,394</u>	<u>370,653</u>
(Acquisition) of tangible capital assets	( 2,286,000)	( 2,015,881)	( 380,792)
Amortization of tangible capital assets	729,160	717,705	712,076
Proceeds on disposal of tangible capital assets	10	1,500	
Loss (gain) on the disposal of tangible capital assets	<u>( 3,020)</u>	<u>282,944</u>	<u>                    </u>
<b>Surplus (Deficit) of Capital Expenses over Expenditures</b>	<u>( 1,559,850)</u>	<u>( 1,013,732)</u>	<u>331,284</u>
(Acquisition) of supplies inventories		( 10,094)	89
(Acquisition)/Use of prepaid expense	<u>0</u>	<u>( 6,316)</u>	<u>819</u>
<b>Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures</b>	<u>0</u>	<u>( 16,410)</u>	<u>908</u>
<b>Increase (Decrease) in Net Financial Assets</b>	( 187,100)	202,252	702,845
Net Financial Assets, beginning of year	<u>4,540,432</u>	<u>4,540,432</u>	<u>3,837,587</u>
<b>Net Financial Assets, End of Year</b>	<u>\$ 4,353,332</u>	<u>\$ 4,742,684</u>	<u>\$ 4,540,432</u>