# RURAL MUNICIPALITY OF KING GEORGE NO. 256

**Auditor's Report**

**Summarized Consolidated Financial Statements**

**December 31, 2023**

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

## MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
**Rural Municipality of King George No. 256**:

Management is responsible for the preparation and presentation of the accompanying summarized financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. The preparation of the statements necessarily includes selecting appropriate accounting principles 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 the 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.

Jensen Stromberg Chartered Professional Accountants, 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.

| | |
|---|---|
| Reeve | Administrator |

Jensen Stromberg
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# RURAL MUNICIPALITY OF KING GEORGE NO. 256

**Statement 1**

## STATEMENT OF FINANCIAL POSITION

**December 31, 2023**
with comparative figures for 2022

| | | 2023 | 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| Financial assets: | | | |
| Cash and cash equivalents | $ | 166,135 | 189,098 |
| Investments | | - | - |
| Taxes receivable - Municipal | | 7,927 | 7,909 |
| Other accounts receivable | | 25,246 | 59,813 |
| Assets held for sale | | - | - |
| Long-term receivables | | 65,947 | 58,721 |
| Debt charges recoverable | | - | - |
| Other | | - | - |
| Total financial assets | | 265,255 | 315,541 |
| **LIABILITIES** | | | |
| Bank indebtedness | | - | - |
| Accounts payable | | 55,838 | 67,909 |
| Accrued liabilities payable | | 4,540 | 1,124 |
| Deposits | | - | - |
| Deferred revenue | | - | - |
| Asset retirement obligations | | - | - |
| Liability for contaminated sites | | - | - |
| Other liabilities | | 143,816 | 151,473 |
| Long-term debt | | 237,885 | 469,597 |
| Lease obligations | | - | - |
| Total liabilities | | 442,079 | 690,103 |
| **NET FINANCIAL ASSETS (DEBT)** | | (176,824) | (374,562) |
| Non-financial assets: | | | |
| Tangible capital assets | | 1,224,188 | 1,336,936 |
| Prepaid and deferred charges | | 1,178 | 1,272 |
| Stock and supplies | | 12,599 | 53,789 |
| Total non-financial assets | | 1,237,965 | 1,391,997 |
| Accumulated surplus (deficit) | $ | 1,061,141 | 1,017,435 |
| Accumulated surplus (deficit) is comprised of: | | | |
| Accumulated surplus (deficit) excluding remeasurement gains (losses) | | 1,061,141 | 1,017,435 |
| Accumulated remeasurement gains (losses) (Statement 5) | | - | - |

Contingent liabilities (Note 9)

**APPROVED ON BEHALF OF COUNCIL:**

_______________ Reeve

_______________ Councillor

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF KING GEORGE NO. 256

**Statement 2**

## STATEMENT OF FINANCIAL ACTIVITIES

**Year ended December 31, 2023**
with comparative figures for 2022

| | 2023 Budget | 2023 Actual | 2022 Actual |
|---|---|---|---|
| Revenues: | | | |
| Tax revenue | $ 624,606 | 646,951 | 567,013 |
| Other unconditional revenue | 155,055 | 161,100 | 140,968 |
| Fees and charges | 8,300 | 10,147 | 7,325 |
| Conditional grants | 20,380 | - | 16,380 |
| Tangible capital asset sales - gain (loss) | - | - | (84,750 |
| Land sales - gain (loss) | - | - | - |
| Investment income | 7,500 | 9,529 | 5,410 |
| Commissions | - | - | - |
| Restructurings | - | - | - |
| Other revenues | - | - | - |
| Provincial/Federal capital grants and contributions | 35,000 | 15,232 | 6,983 |
| Total Revenues | 850,841 | 842,959 | 659,329 |
| Expenditures: | | | |
| General government services | 195,835 | 212,319 | 231,162 |
| Protective services | 32,500 | 49,744 | 188,141 |
| Transportation services | 351,200 | 526,906 | 472,968 |
| Environmental and public health services | 8,000 | 4,340 | 9,293 |
| Planning and development services | 50 | 208 | 188 |
| Recreation and cultural services | 3,000 | 2,434 | 2,791 |
| Utility services | 4,700 | 3,302 | 36,523 |
| Restructurings | - | - | - |
| Total Expenditures | 595,285 | 799,253 | 941,066 |
| Surplus (deficit) of revenues over expenditures | 255,556 | 43,706 | (281,737 |
| Accumulated surplus (deficit) excluding remeasurement gains (losses), beginning of year | 1,017,435 | 1,017,435 | 1,299,172 |
| Accumulated surplus (deficit) excluding remeasurement gains (losses), end of year | $ 1,272,991 | 1,061,141 | 1,017,435 |

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF KING GEORGE NO. 256

Statement 3

## STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

**Year ended December 31, 2023**
with comparative figures for 2022

| | | 2023 Budget | 2023 Actual | 2022 Actual |
|---|---|---|---|---|
| **Surplus (deficit)** | $ | 255,556 | 43,706 | (281,737) |
| (Acquisition) of tangible capital assets | | (59,000) | (5,497) | (493,242) |
| Amortization of tangible capital assets | | - | 118,245 | 95,213 |
| Proceeds on disposal of tangible capital assets | | - | - | 200,024 |
| Loss (gain) on disposal of tangible capital assets | | - | - | 84,750 |
| Transfer of assets/liabilities in restructuring transactions | | - | - | - |
| **Surplus (deficit) of capital expenses over expenditures** | | (59,000) | 112,748 | (113,255) |
| (Acquisition) of supplies inventories | | - | (3,376) | (53,789) |
| (Acquisition) of prepaid expenses | | - | - | - |
| Consumption of supplies inventories | | - | 44,566 | 27,657 |
| Use of prepaid expenses | | - | 94 | 60 |
| **Surplus (deficit) of expenses of other non-financial over expenditures** | | - | 41,284 | (26,072) |
| Unrealized remeasurement gains (losses) | | - | - | - |
| **Increase (decrease) in Net Financial Assets** | | 196,556 | 197,738 | (421,064) |
| **Net Financial Assets (Debt) - Beginning of the year** | | (374,562) | (374,562) | 46,502 |
| **Net Financial Assets (Debt) - End of year** | $ | (178,006) | (176,824) | (374,562) |

See accompanying notes to the financial statements.

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# RURAL MUNICIPALITY OF KING GEORGE NO. 256

**Statement 4**

## STATEMENT OF CHANGES IN FINANCIAL POSITION

**Year ended December 31, 2023**
with comparative figures for 2022

| **Cash provided by (used in) the following activities:** | **2023** | **2022** |
|---|---|---|
| Operating: | | |
| Surplus (deficit) | $ 43,706 | (281,737) |
| Amortization | 118,245 | 95,213 |
| Loss (gain) on disposal of tangible capital assets | - | 84,750 |
| | 161,951 | (101,774) |
| Change in assets/liabilities | | |
| Taxes receivable - Municipal | (18) | 8,395 |
| Other accounts receivable | 34,567 | 38,227 |
| Assets held for sale | - | - |
| Other financial assets | - | - |
| Accounts and accrued liabilities payable | (8,653) | 53,991 |
| Deposits | - | - |
| Deferred revenue | - | - |
| Asset retirement obligations | - | - |
| Liability for contaminated sites | - | - |
| Other liabilities | (7,657) | 151,473 |
| Stock and supplies | 41,189 | (26,132) |
| Prepayments and deferred charges | 94 | 60 |
| Other | - | - |
| Net cash from operations | 221,473 | 124,240 |
| Capital: | | |
| Cash used to acquire tangible capital assets | (5,497) | (493,242) |
| Proceeds on disposal of tangible capital assets | - | 200,024 |
| Other capital | - | - |
| Net cash used for capital | (5,497) | (293,218) |
| Investing: | | |
| Decrease (increase) in restricted cash | - | - |
| Proceeds on disposal of investments | - | - |
| Decrease (increase) in investments | (7,228) | 12,339 |
| Net cash from (used for) investing | (7,228) | 12,339 |
| Financing activities: | | |
| Debt charges recovered | - | - |
| Long-term debt issued | - | 265,000 |
| Long-term debt repaid | (231,711) | (149,449) |
| Other financing | - | - |
| Net cash from (used for) financing | (231,711) | 115,551 |
| Change in cash and cash equivalents during the year | (22,963) | (41,088) |
| Cash and cash equivalents, beginning of year | 189,098 | 230,186 |
| Cash and cash equivalents, end of year | $ 166,135 | 189,098 |

See accompanying notes to the financial statements.

# RURAL MUNICIPALITY OF KING GEORGE NO. 256

Statement 5

## STATEMENT OF REMEASUREMENT GAINS AND LOSSES

**Year ended December 31, 2023**
with comparative figures for 2022

| | 2023 Actual | 2022 Actual |
|---|---|---|
| **Accumulated remeasurement gains (losses), beginning of year** | $ - | - |
| Unrealized gains (losses) | | |
| Derivatives | - | - |
| Equity investments measured at fair value | - | - |
| Foreign exchange | - | - |
| | - | - |
| Reclassified to the Statement of Financial Activities | | |
| Derivatives | - | - |
| Equity investments measured at fair value | - | - |
| Foreign exchange | - | - |
| | - | - |
| Net remeasurement gains (losses) | - | - |
| **Accumulated remeasurement gains (losses), end of year** | $ - | - |

See accompanying notes to the financial statements.

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