

BAERT CAMERON ODISHAW LA COCK
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Council
Rural Municipality of Britannia No. 502
Lloydminster, Saskatchewan

We have audited the accompanying consolidated financial statements of the Rural Municipality of Britannia No. 502, which comprise the consolidated statement of financial position as at December 31, 2013, the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Britannia No. 502 as at December 31, 2013, and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Baert Cameron Odishaw La Cock

Chartered Accountants

North Battleford, Saskatchewan
June 25, 2014

Rural Municipality of Britannia No. 502
 Consolidated Statement of Financial Position
 As at December 31, 2013

Statement 1

	2013	2012
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	4,700,463	7,877,057
Taxes Receivable - Municipal (Note 3)	75,992	80,693
Other Accounts Receivable (Note 4)	3,085,966	1,686,886
Land for Resale (Note 5)	13,887	9,144
Long-Term Investments (Note 6)	161,844	182,458
Other (Specify)		
Total Financial Assets	8,038,152	9,836,238
LIABILITIES		
Bank Indebtedness		
Accounts Payable	51,412	142,905
Accrued Liabilities Payable		
Deposits	17,930	12,980
Deferred Revenue (Note 7)	11	59,335
Accrued Landfill Costs		
Other Liabilities		
Long-Term Debt		
Lease Obligations		
Total Liabilities	69,353	215,220
NET FINANCIAL ASSETS	7,968,799	9,621,018
Non-Financial Assets		
Tangible Capital Assets (Schedule 6, 7)	51,595,865	44,580,848
Prepayments and Deferred Charges	15,260	19,674
Stock and Supplies	500,815	379,311
Other		
Total Non-Financial Assets	52,111,940	44,979,833
Accumulated Surplus (Deficit) (Schedule 8)	60,080,739	54,600,851

Rural Municipality of Britannia No. 502
 Consolidated Statement of Operations
 For the year ended December 31, 2013

Statement 2

	2013 Budget	2013	2012
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	6,170,100	6,573,032	5,987,882
Fees and Charges (Schedule 4, 5)	1,332,770	1,022,749	465,990
Conditional Grants (Schedule 4, 5)	5,700	6,677	8,210
Tangible Capital Asset Sales - Gain (Schedule 4, 5)		40,915	(652,732)
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	43,200	60,114	51,389
Other Revenues (Schedule 4, 5)	4,200,000	4,505,659	4,607,367
Total Revenues	11,751,770	12,209,146	10,468,106
Expenses			
General Government Services (Schedule 3)	784,330	796,892	751,200
Protective Services (Schedule 3)	332,480	315,818	226,281
Transportation Services (Schedule 3)	14,507,700	6,405,758	6,604,176
Environmental and Public Health Services (Schedule 3)	100,930	98,782	82,651
Planning and Development Services (Schedule 3)	25,000	2,308	33,157
Recreation and Cultural Services (Schedule 3)	61,000	71,137	400,103
Utility Services (Schedule 3)	116,100	127,732	150,521
Total Expenses	15,927,540	7,818,427	8,248,089
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(4,175,770)	4,390,719	2,220,017
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	1,094,250	1,089,169	2,578,699
Surplus (Deficit) of Revenues over Expenses	(3,081,520)	5,479,888	4,798,716
Accumulated Surplus (Deficit), Beginning of Year	54,600,851	54,600,851	49,802,135
Accumulated Surplus (Deficit), End of Year	51,519,331	60,080,739	54,600,851

Rural Municipality of Britannia No. 502
 Consolidated Statement of Change in Net Financial Assets
 For the year ended December 31, 2013

Statement 3

	2013 Budget	2013	2012
Surplus (Deficit)	(3,081,520)	5,479,888	4,798,716
(Acquisition) of tangible capital assets		(10,787,600)	(4,626,265)
Amortization of tangible capital assets		3,551,231	3,638,537
Proceeds on disposal of tangible capital assets		262,267	136,115
Loss (gain) on the disposal of tangible capital assets		(40,915)	652,732
Surplus (Deficit) of capital expenses over expenditures		(7,015,017)	(198,881)
(Acquisition) of supplies inventories		(121,504)	(75,626)
(Acquisition) of prepaid expense			(13,861)
Consumption of supplies inventory			
Use of prepaid expense		4,414	
Surplus (Deficit) of expenses of other non-financial over expenditures		(117,090)	(89,487)
Increase/Decrease in Net Financial Assets	(3,081,520)	(1,652,219)	4,510,348
Net Financial Assets - Beginning of Year	9,621,018	9,621,018	5,110,670
Net Financial Assets - End of Year	6,539,498	7,968,799	9,621,018

Rural Municipality of Britannia No. 502
 Schedule of Council Remuneration
 For the year ended December 31, 2013

Schedule 10

Position	Name	Remuneration	Reimbursed	
			Costs	Total
Reeve	John Light	11,478	3,467	14,945
Div. 1 Councillor	Ed Noble	8,901	4,054	12,955
Div. 2 Councillor	Dale Forland	14,574	5,333	19,907
Div. 3 Councillor	Jim Collins	9,976	3,432	13,408
Div. 4 Councillor	Karen Simons	8,683	4,450	13,133
Div. 5 Councillor	Diann Tippe	12,967	3,713	16,680
Div. 6 Councillor	Dale Crush	11,161	4,966	16,127
Total		77,740	29,315	107,155