

## Independent Auditors' Report

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To the Mayor and Council of the Town of Porcupine Plain:

We have audited the accompanying financial statements of the Town of Porcupine Plain, which comprise the statement of financial position as at December 31, 2016, and the statement of operations, change in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements present fairly, in all material respects, the financial position of the Town of Porcupine Plain as at December 31, 2016 and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Melfort, Saskatchewan  
April 11, 2017

*MNP LLP*  
Chartered Professional Accountants

**MNP**

## Management's Responsibility


To the Mayor and Council of the Town of Porcupine Plain:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

Council is composed entirely of individuals who are neither management nor employees of the Municipality. Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the annual financial statements. Council fulfills these responsibilities by reviewing the financial information and discussing relevant matters with management. Council is also responsible for the appointment of the Municipality's external auditors.

MNP LLP is appointed by 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 with both management and Council to discuss their audit findings.

  
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Administrator TWYLA SALMOND

Town of Porcupine Plain  
Statement of Financial Position  
As at December 31, 2016

Statement 1

	2016	2015
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**ASSETS**

**Financial assets**

Cash and temporary investments (Note 2)	972,061	800,835
Taxes receivable - municipal (Note 3)	41,298	41,615
Other accounts receivable (Note 4)	68,345	41,360
Land for resale (Note 5)	97,158	97,158
Long-term investments (Note 6)	7,481	7,481
<b>Total financial assets</b>	<b>1,186,343</b>	<b>988,449</b>

**LIABILITIES**

Accounts payable	18,103	17,592
Accrued liabilities payable	7,538	12,945
Deposits	23,837	23,667
Accrued landfill costs (Note 7)	41,610	37,750
Long-term debt (Note 8)	19,966	33,945
<b>Total liabilities</b>	<b>111,054</b>	<b>125,899</b>

**NET FINANCIAL ASSETS**


1,075,289      862,550

**Non-financial assets**

Tangible capital assets (Schedule 6, 7)	2,762,317	2,802,036
Prepayments and deferred charges	1,328	43,276
Stock and supplies	13,764	20,118
<b>Total Non-Financial Assets</b>	<b>2,777,409</b>	<b>2,865,430</b>

**Accumulated Surplus (Schedule 8)**

3,852,698      3,727,980

  
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Mayor DEPUTY

  
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Councillor

Town of Porcupine Plain  
Statement of Operations  
For the year ended December 31, 2016

Statement 2

	2016 Budget	2016	2015
<b>Revenues</b>			
Taxes and other unconditional revenue <i>(Schedule 1)</i>	845,360	848,390	804,898
Fees and charges <i>(Schedule 4, 5)</i>	376,700	402,256	382,691
Conditional grants <i>(Schedule 4, 5)</i>	82,683	72,772	160,020
Tangible capital asset sales - Gain <i>(Schedule 4, 5)</i>	-	(14,762)	100
Tangible capital asset impairment loss <i>(Schedule 4, 5)</i>	-	-	-
Impairment loss on investment <i>(Schedule 4, 5)</i>	-	-	-
Land sales - loss <i>(Schedule 4, 5)</i>	-	-	(377)
Investment income and commissions <i>(Schedule 4, 5)</i>	3,450	3,436	7,925
Other revenues <i>(Schedule 4, 5)</i>	20,000	36,759	36,244
<b>Total revenues</b>	<b>1,328,193</b>	<b>1,348,851</b>	<b>1,391,501</b>
<b>Expenses</b>			
General government services <i>(Schedule 3)</i>	182,622	182,227	190,359
Protective services <i>(Schedule 3)</i>	106,885	157,333	143,537
Transportation services <i>(Schedule 3)</i>	315,220	301,878	265,506
Environmental and public health services <i>(Schedule 3)</i>	164,000	161,603	197,616
Planning and development services <i>(Schedule 3)</i>	40,145	37,331	32,172
Recreation and cultural services <i>(Schedule 3)</i>	174,503	176,049	257,541
Utility services <i>(Schedule 3)</i>	258,150	260,097	342,802
<b>Total expenses</b>	<b>1,241,525</b>	<b>1,276,518</b>	<b>1,429,533</b>
<b>Surplus (deficiency) of revenues over expenses before capital contributions</b>	<b>86,668</b>	<b>72,333</b>	<b>(38,032)</b>
Provincial/Federal capital grants and contributions <i>(Schedule 4, 5)</i>	48,564	52,385	54,490
<b>Surplus of revenues over expenses</b>	<b>135,232</b>	<b>124,718</b>	<b>16,458</b>
Accumulated surplus, beginning of year	3,727,980	3,727,980	3,711,522
<b>Accumulated surplus, end of year</b>	<b>3,863,212</b>	<b>3,852,698</b>	<b>3,727,980</b>