VILLAGE OF HAWARDEN

Auditor's Report

Summarized Financial Statements

December 31, 2022

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

MANAGEMENT'S RESPONSIBILITY

To the Ratepayers of
Village of Hawarden:

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 and ensuring that all information in the annual report is consistent with the statements. 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.

The Council is composed of elected officials who are not employees of the Village. 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.

Mayor

Administrator

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

Bill Jensen, CPA, CA*
Tyler Olafson, CPA, CA*
Jared Udchic, CPA*
Dylan Peace, CPA*
*denotes professional corporation

REPORT OF THE INDEPENDENT AUDITOR ON SUMMARY FINANCIAL STATEMENTS

To the **Mayor** and Council of **Village of Hawarden**

Opinion

The summary financial statements, which comprise the summary statement of financial position as at **December 31, 2022**, the summary statement of financial activities, summary statement of changes in net financial assets and summary statement of changes in financial position for the year then ended are derived from the audited financial statements of **Village of Hawarden** as at **December 31, 2022**.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summarized financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statement and auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

In our report dated September 23, 2025:

- We expressed a qualified audit opinion on the audited financial statements due to a limitation in the scope of our audit regarding the municipal taxes receivable balance and utility receivable balance.

Management`s Responsibility for the Summarized Statements

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

Auditor`s Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, ``Engagements to Report on Summary Financial Statements.``

Jensen Stromberg

Saskatoon, Saskatchewan
September 23, 2025

Chartered Professional Accountants

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VILLAGE OF HAWARDEN

Statement 1

STATEMENT OF FINANCIAL POSITION

December 31, 2022
with comparative figures for 2021

	2022	2021 (Restated - Note 3)
ASSETS		
Financial assets:		
Cash and temporary investments	$ 91,534	97,964
Taxes Receivable - Municipal	76,866	77,667
Other accounts receivable	27,170	15,541
Assets held for sale	30,173	17,411
Long-term investments	-	-
Debt charges recoverable	-	-
Other	-	-
Total financial assets	225,743	208,583
LIABILITIES		
Bank indebtedness	-	-
Accounts payable	22,502	1,615
Accrued liabilities payable	-	-
Deposits	1,416	1,416
Deferred revenue	2,300	800
Accrued landfill costs	-	-
Liability for contaminated sites	-	-
Other liabilities	-	-
Long-term debt	-	-
Lease obligations	-	-
Total liabilities	26,218	3,831
NET FINANCIAL ASSETS (DEBT)	199,525	204,752
Non-financial assets:		
Tangible capital assets	229,854	243,485
Prepaid and deferred charges	794	-
Stock and supplies	-	-
Total non-financial assets	230,648	243,485
Accumulated Surplus	$ 430,173	448,237

APPROVED ON BEHALF OF COUNCIL:

_______________________________ Mayor

_______________________________ Councillor

See accompanying notes to the financial statements.

VILLAGE OF HAWARDEN

Statement 2

STATEMENT OF FINANCIAL ACTIVITIES

Year ended December 31, 2022
with comparative figures for 2021

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 3)
Revenues:			
Taxes and other unconditional revenue	$ 84,460	88,933	90,360
Fees and charges	37,980	36,671	41,250
Conditional grants	18,680	5,813	11,426
Tangible capital asset sales - gain (loss)	1,000	-	4,000
Land sales - gain	-	1,131	-
Investment income and commissions	-	245	228
Other revenues	-	-	-
Total Revenues	142,120	132,793	147,264
Expenditures:			
General government services	54,375	58,524	56,635
Protective services	5,363	5,091	5,054
Transportation services	18,300	23,820	16,685
Environmental and public health services	8,500	8,214	9,066
Planning and development services	500	2,500	-
Recreation and cultural services	21,050	20,826	11,665
Utility services	23,810	33,489	29,558
Total Expenditures	131,898	152,464	128,663
Surplus (deficit) of revenues over expenditures before other capital contributions	10,222	(19,671)	18,601
Provincial/Federal capital grants and contributions	3,200	1,607	6,336
Surplus (deficit) of revenues over expenditures	13,422	(18,064)	24,937
Accumulated surplus (deficit), beginning of year	448,237	448,237	423,300
Accumulated surplus (deficit), end of year	$ 461,659	430,173	448,237

See accompanying notes to the financial statements.

VILLAGE OF HAWARDEN

Statement 3

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

Year ended December 31, 2022
with comparative figures for 2021

	2022 Budget	2022 Actual	2021 Actual (Restated - Note 3)
Surplus (deficit)	$ 13,422	(18,064)	24,937
(Acquisition) of tangible capital assets	-	(5,485)	(14,098)
Amortization of tangible capital assets	-	19,116	18,462
Proceeds on disposal of tangible capital assets	-	-	4,000
Loss (gain) on disposal of tangible capital assets	(1,000)	-	(4,000)
Surplus (deficit) of capital expenses over expenditures	(1,000)	13,631	4,364
(Acquisition) of supplies inventories	-	-	-
(Acquisition) of prepaid expenses	-	(794)	-
Consumption of supplies inventories	-	-	-
Use of prepaid expenses	-	-	-
Surplus (deficit) of expenses of other non-financial over expenditures	(1,000)	(794)	-
Increase (decrease) in Net Financial Assets	11,422	(5,227)	29,301
Net Financial Assets (Debt) - Beginning of the year	204,752	204,752	175,451
Net Financial Assets (Debt)- End of year	$ 216,174	199,525	204,752

See accompanying notes to the financial statements.

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

VILLAGE OF HAWARDEN

Statement 4

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 2022
with comparative figures for 2021

Cash provided by (used in) the following activities:		**2022**	**2021 (Restated - Note 3)**
Operating:			
Surplus (deficit)	$	(18,064)	24,937
Amortization		19,116	18,463
Loss (gain) on disposal of tangible capital assets		-	(4,000)
		1,052	39,400
Change in assets/liabilities			
Taxes receivable - Municipal		801	6,308
Other accounts receivable		(11,629)	4,714
Assets held for sale		(12,763)	1,158
Other financial assets		-	-
Accounts and accrued liabilities payable		20,888	(835)
Deposits		-	-
Deferred revenue		1,500	800
Accrued landfill costs		-	-
Liability for contaminated sites		-	-
Other liabilities		-	-
Stock and supplies		-	-
Prepayments and deferred charges		(794)	-
Other		-	-
Net cash from (used for) operations		(945)	51,545
Capital:			
Cash used to acquire tangible capital assets		(5,485)	(14,098)
Proceeds on sale of tangible capital assets		-	4,000
Other capital		-	-
Net cash used for capital		(5,485)	(10,098)
Investing:			
Proceeds on disposal of investments		-	-
Acquisition in investment		-	-
Net cash from investing		-	-
Financing activities:			
Debt charges recovered		-	-
Proceeds from debt issues		-	-
Debt repayment		-	-
Other financing		-	-
Net cash from financing		-	-
Increase (decrease) in cash resources		(6,430)	41,447
Cash and temporary investments, beginning of year		97,964	56,517
Cash and temporary investments, end of year	$	91,534	97,964

See accompanying notes to the financial statements.

Jensen Stromberg
CHARTERED PROFESSIONAL ACCOUNTANTS

1. <u>SUMMARY FINANCIAL STATEMENTS</u>

The summary financial statements are derived from the audited financial statements, prepared in accordance with Canadian public sector accounting standards as at December 31, 2022 and December 31, 2021, and for the years then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

a) the summary financial statements include a statement for each statement included in the audited financial statements;

b) information in the summary financial statements agrees with the related information in the related audited financial statements;

c) major subtotals, totals and comparative information from the audited financial statements are included; and

d) the summary financial statements contain the information from the audited financial statements dealing with matters that have a pervasive or otherwise significant effect on the summarized financial statements.

The audited financial statements of Village of Hawarden are available upon request by contacting the Village.

2. <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>

The financial statements consolidate the assets, liabilities and flow of resources of the Village. The entity is comprised of all organizations owned or controlled by the Village and are, therefore, accountable to the Council for the administration of their financial affairs and resources.

The financial statements are prepared using the accrual basis of accounting using the accounting policies that are described in Note 1 to the Village's audited financial statements in accordance with the local government accounting standards established by the Public Sector Accounting Board. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. The measurement of materials and supplies are based on estimates of volume and quality. The 'Opening asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets. These estimates and assumptions are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.

3. PRIOR PERIOD ADJUSTMENT

In the current year, Management identified a bank account that is in the Municipalities name that was not previously recorded.

Changes to 2021 accumulated surplus are as follows:

- Increase to cash by $9,286 for the 2021 year-end.
- Increase in accumulated surplus by $9,286 for the 2021 year-end.