

Village of Conquest

Consolidated Financial Statements & Notes

December 31, 2021

de Jong & Associates

Chartered Professional Accountants, Prof. Corp

Village of Conquest

Contents

For the year ended December 31, 2021

| | Page |
|--|-------------|
| Independent Auditors Report | |
| Statement of Management's Responsibility | |
| Consolidated Financial Statements | |
| Statement 1 - Consolidated Statement of Financial Position..... | 2 |
| Statement 2 - Consolidated Statement of Operations..... | 3 |
| Statement 3 - Consolidated Statement of Changes in Net Financial Assets..... | 4 |
| Statement 4 - Consolidated Statement of Cash Flow..... | 5 |
| Notes to the Financial Statements..... | 6 |
| Consolidated Schedules | |
| Schedule 1 - Consolidated Schedule of Taxes and Other Unconditional Revenue..... | 15 |
| Schedule 2 - Consolidated Schedule of Operating and Capital Revenue by Function..... | 16 |
| Schedule 3 - Consolidated Schedule of Total Expenses by Function..... | 21 |
| Schedule 4 - Consolidated Schedule of current Year Segment by Function..... | 24 |
| Schedule 5 - Consolidated Schedule of current Prior Year Segment by Function..... | 25 |
| Schedule 6 - Consolidated Schedule of Tangible Capital Assets by Object..... | 26 |
| Schedule 7 - Consolidated Schedule of Tangible Capital Assets by Function..... | 27 |
| Schedule 8 - Consolidated Schedule of Accumulated Surplus..... | 28 |
| Schedule 9 - Consolidated Schedule of Mill Rates and Assessments..... | 29 |
| Schedule 10 - Consolidated Schedule of Council Remuneration..... | 30 |
| Schedule 11 – Carrying Amounts of Assets and Liabilities at Restructuring Date..... | 31 |

de Jong & Associates

Chartered Professional Accountants, Prof. Corp.

INDEPENDENT AUDITOR'S REPORT

To the Members of Council of the Village of Conquest

Qualified Opinion

We have audited the accompanying financial statements of the Village of Conquest, which comprise the Statement of Financial Position as at December 31, 2021, and the Statements of Operations, Changes in Net Financial Assets and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the Basis for a Qualified opinion section of our report, the accompanying financial statements, present fairly, in all material aspects, the financial position of the Village of Conquest as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The municipality operates a landfill, for which estimates for closure and post closure costs require recognition in the the financial statements. These estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes to such estimates in future periods could be significant. No estimates were recorded, and we were unable to determine the effect on the financial statements.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statement 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 ethical responsibilities in accordance with those requirements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation 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.

Those charged with governance are responsible for overseeing the municipality's financial reporting process.

Auditors Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.