

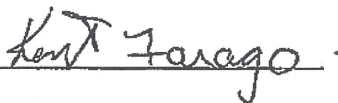
Management's Responsibility

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 policies and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

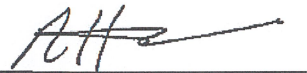
In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records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

Dudley & Company LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report is attached to the financial statements. The external auditors have full and free access to both the Council and administration to discuss their audit findings.



Council



Administration

INDEPENDENT AUDITORS' REPORT

To the Reeve and Councillors
Rural Municipality of Lumsden No. 189

Opinion

We have audited the financial statements of the **RURAL MUNICIPALITY OF LUMSDEN NO. 189**, which comprise the statement of financial position as at December 31, 2020 and the statements of operations changes in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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 Statements* 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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation 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.

In preparing the financial statements, management is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to dissolve the municipality or to cease operations, or has no realistic alternative but to do so.

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 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

RURAL MUNICIPALITY OF LUMSDEN NO. 189

Independent Auditors' Report (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over-ride of internal control.
- Obtain an understanding of internal control relevant to the audit 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 municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Dudley & Company LLP
Chartered Professional Accountants

Regina, Saskatchewan
June 25, 2021

RURAL MUNICIPALITY OF LUMSDEN NO. 189
Statement of Financial Position
As at December 31, 2020

Statement 1

	2020	2019
ASSETS		
Financial Assets		
Cash & Temporary Investments (Note 2)	\$ 4,664,605	\$ 3,570,815
Taxes Receivable - Municipal (Note 3)	572,858	802,986
Other Accounts Receivable (Note 4)	348,756	274,443
Land for Resale (Note 5)	193	193
SARM (Note 6)	55,737	50,997
Other	-	-
Total Financial Assets	5,642,149	4,699,434
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable (Note 7)	409,707	285,147
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue	-	-
Accrued Landfill Costs	-	-
Other Liabilities	4,699	4,699
Long-Term Debt (Note 8)	1,450,557	1,770,285
Lease Obligations	-	-
Liability for Contaminated Sites	-	-
Total Liabilities	1,864,963	2,060,131
NET FINANCIAL ASSETS	3,777,186	2,639,303
NET FINANCIAL ASSETS		
Tangible Capital Assets (Schedules 6, 7)	9,245,324	8,627,313
Prepayment and Deferred Charges	1,407	1,354
Stock and Supplies	269,528	118,952
Other	-	-
Total Non-Financial Assets	9,516,259	8,747,619
Accumulated Surplus (Deficit) (Schedule 8)	\$ 13,293,445	\$ 11,386,922

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF LUMSDEN NO. 189

Statement of Operations
For the year ended December 31, 2020

Statement 2

		2020 Budget	2020	2019
Revenues				
Taxes and Other Unconditional Revenue	(Schedule 1)	\$ 3,974,289	\$ 4,101,836	\$ 3,905,080
Fees and Charges	(Schedule 4, 5)	138,100	123,565	262,699
Conditional Grants	(Schedule 4, 5)	14,078	23,037	21,922
Tangible Capital Assets Sales - Gain (Loss)	(Schedule 4, 5)	-	(22,614)	(84,491)
Land Sales - Gain	(Schedule 4, 5)	-	-	-
Investment Income and Commissions	(Schedule 4, 5)	54,900	37,762	57,903
Other Revenues	(Schedule 4, 5)	250	250	287
Total Revenues		4,181,617	4,263,836	4,163,400

Expenses

General Government Services	(Schedule 3)	498,100	497,506	531,011
Protective Services	(Schedule 3)	178,748	215,807	283,369
Transportation Services	(Schedule 3)	1,803,300	2,185,963	2,155,301
Environmental and Public Health Services	(Schedule 3)	84,190	70,467	130,496
Planning and Development Services	(Schedule 3)	116,618	129,978	87,810
Recreation and Cultural Services	(Schedule 3)	50,173	78,517	73,540
Utility Services	(Schedule 3)	-	-	-
Total Expenses		2,731,129	3,178,238	3,261,527
Surplus (Deficit) before Other Capital Contributions		1,450,488	1,085,598	901,873
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)		746,357	820,925	322,673
Surplus (Deficit) of Revenues over Expenses		2,196,845	1,906,523	1,224,546
Accumulated Surplus (Deficit), Beginning of Year		11,386,922	11,386,922	10,162,376
Accumulated Surplus (Deficit), End of Year		\$ 13,583,767	\$ 13,293,445	\$ 11,386,922

The accompanying notes form an integral part of these financial statements.