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**REPORT OF THE INDEPENDENT AUDITOR ON THE  
SUMMARY FINANCIAL STATEMENTS**

To the Ratepayers of the Town of Hafford:

*Opinion*

The summary financial statements, which comprise the statement of financial position as at December 31, 2018, the statement of operations and change in net financial debt for the year then ended, are derived from the audited financial statements of the Town of Hafford for the year ended December 31, 2018.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements in accordance with the criteria described in the Guideline referred to below.

*Summary Financial Statements*

The summary financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

*The Audited Financial Statements and Our Report Thereon*

We expressed an unmodified audit opinion on the audited financial statements in our report dated September 10, 2019.

*Management's Responsibility for the Summary Audited Financial Statements*

Management is responsible for the preparation of the summary 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.

*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*.

North Battleford, Saskatchewan  
September 10, 2019

*Holm Raiche Oberg*  
Chartered Professional Accountants

Town of Hafford  
Statement of Financial Position  
As at December 31, 2018

Statement 1

	2018	2017
		<i>(Re-stated)</i>
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	\$ 15,060	\$ 27,392
Taxes Receivable - Municipal (Note 3)	51,792	40,657
Other Accounts Receivable (Note 4)	68,445	70,598
Land for Resale (Note 5)	17,431	5,172
Long-term Investments (Note 6)	615	521
Debt Charges Recoverable		
Other (Specify)		
<b>Total Financial Assets</b>	<b>153,343</b>	<b>144,340</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 7)	53,216	
Accounts Payable	50,402	107,564
Accrued Liabilities Payable		
Deposits	18,365	17,485
Deferred Revenue (Note 8)	16,395	16,070
Accrued Landfill Costs		
Liability for Contaminated Sites (Note 9)	31,000	31,000
Other Liabilities		
Long-term Debt (Note 10)	48,621	34,162
Lease Obligations		
<b>Total Liabilities</b>	<b>217,999</b>	<b>206,281</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>(64,656)</b>	<b>(61,941)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	973,915	886,613
Prepayments and Deferred Charges	1,108	10
Stock and Supplies		
Other		
<b>Total Non-Financial Assets</b>	<b>975,023</b>	<b>886,623</b>
<b>Accumulated Surplus (Deficit) (Schedule 8)</b>	<b>\$ 910,367</b>	<b>\$ 824,682</b>

Town of Hafford  
Statement of Operations  
As at December 31, 2018

Statement 2

	2018 Budget	2018	2017 <i>(Re-stated)</i>
<b>Revenues</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 330,240	\$ 347,919	\$ 324,747
Fees and Charges (Schedule 4, 5)	207,810	245,721	223,040
Conditional Grants (Schedule 4, 5)	20,700	24,661	21,348
Tangible Capital Asset Sales - Gain (Loss) (Schedule 4, 5)		(1,320)	2
Land Sales - Gain (Loss) (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	640	736	826
Other Revenues (Schedule 4, 5)	910	1,885	881
<b>Total Revenues</b>	<b>560,300</b>	<b>619,602</b>	<b>570,844</b>
<b>Expenses</b>			
General Government Services (Schedule 3)	142,690	159,090	113,310
Protective Services (Schedule 3)	44,700	64,792	56,850
Transportation Services (Schedule 3)	191,320	202,259	227,414
Environmental and Public Health Services (Schedule 3)	94,080	94,562	104,407
Planning and Development Services (Schedule 3)	800	1,560	5,287
Recreation and Cultural Services (Schedule 3)	9,280	31,567	26,790
Utility Services (Schedule 3)	130,920	128,756	121,312
<b>Total Expenses</b>	<b>613,790</b>	<b>682,586</b>	<b>655,370</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>(53,490)</b>	<b>(62,984)</b>	<b>(84,526)</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	118,850	148,669	109,726
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>\$ 65,360</b>	<b>85,685</b>	<b>25,200</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>		<b>824,682</b>	<b>799,482</b>
<b>Accumulated Surplus (Deficit), End of Year</b>		<b>\$ 910,367</b>	<b>\$ 824,682</b>

Town of Hafford  
Statement of Change in Net Financial Assets  
As at December 31, 2018

Statement 3

	2018 Budget	2018	2017 <i>(Re-stated)</i>
<b>Surplus (Deficit)</b>	<b>\$ 65,360</b>	<b>\$ 85,685</b>	<b>\$ 25,200</b>
(Acquisition) of tangible capital assets	(115,090)	(215,145)	(226,560)
Amortization of tangible capital assets		60,523	55,152
Proceeds on disposal of tangible capital assets	4,000	66,000	
Loss (gain) on the disposal of tangible capital assets		1,320	(2)
<b>Surplus (Deficit) of capital revenue over expenditures</b>	<b>(111,090)</b>	<b>(87,302)</b>	<b>(171,410)</b>
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense		(1,098)	
Consumption of supplies inventories			5,655
Use of prepaid expense			
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>		<b>(1,098)</b>	<b>5,655</b>
<b>Increase (Decrease) in Net Financial Assets</b>	<b><u>\$ (45,730)</u></b>	<b>(2,715)</b>	<b>(140,555)</b>
<b>Net Financial Assets - Beginning of Year</b>		<b>(61,941)</b>	<b>78,614</b>
<b>Net Financial Assets (Debt) - End of Year</b>		<b><u>\$ (64,656)</u></b>	<b><u>\$ (61,941)</u></b>