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RURAL MUNICIPALITY OF ALEXANDRA

ALEXANDRA, PRINCE EDWARD ISLAND

FINANCIAL STATEMENTS

(UNAUDITED)

MARCH 31, 2019

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Council of the Rural Municipality of Alexandra

I have reviewed the accompanying financial statements of the Rural Municipality of Alexandra that comprise the statement of financial position as at March 31, 2019, and the statements of operations and cash flows for the fifteen month period 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of the Rural Municipality of Alexandra as at March 31, 2019, and the results of its operations and its cash flows for the fifteen month period then ended in accordance with Canadian public sector accounting standards.

Charlottetown  
Prince Edward Island  
June 6, 2019

  
Chartered Professional Accountant

## RURAL MUNICIPALITY OF ALEXANDRA

## STATEMENT OF FINANCIAL POSITION


(UNAUDITED)

MARCH 31, 2019

	<u>Fifteen Month Period Ended March 31, 2019</u>	<u>Year Ended December 31, 2017</u>
Financial assets		
Cash	\$ 10,565	\$ 6,878
Liabilities		
Payables and accruals	<u>2,588</u>	<u>          </u>
Net financial assets	<u>7,977</u>	<u>6,878</u>
Non-financial assets		
Prepaid expenses	2,793	224
Tangible capital assets (Nore 3)	<u>5</u>	<u>5</u>
	<u>2,798</u>	<u>229</u>
Accumulated surplus	<u>\$ 10,775</u>	<u>\$ 7,107</u>

ON BEHALF OF THE COUNCIL


  
 \_\_\_\_\_  
 Mayor


  
 \_\_\_\_\_  
 Councillor

## RURAL MUNICIPALITY OF ALEXANDRA

## STATEMENT OF OPERATIONS

(UNAUDITED)

FIFTEEN MONTHS ENDED MARCH 31, 2019

	FIFTEEN MONTH PERIOD ENDED MARCH 31, 2019		YEAR ENDED DECEMBER 31, 2017
	BUDGET	ACTUAL	ACTUAL
Revenue			
Property taxes	\$28,590	\$29,238	\$17,670
Equalization grant	1,178	1,178	
Grant Province of Prince Edward Island		614	606
Rent	150	100	70
	<u>29,918</u>	<u>31,130</u>	<u>18,346</u>
Expenditures			
Administrator	4,200	2,850	2,100
Bank charges	30	32	48
Community centre			
Electricity	1,000	1,275	620
Heat	2,500	2,849	1,340
Insurance	2,100	1,193	937
Maintenance	2,500	2,224	1,550
Property tax		614	606
Fire dues	9,500	10,300	7,531
Grants	500	500	500
Election expense	500	1,376	
Insurance	4,798	2,700	2,316
Miscellaneous	250	268	214
Office	750	292	
Professional fees	2,000	989	
	<u>30,628</u>	<u>27,462</u>	<u>17,762</u>
Annual surplus (deficit)	(710)	3,668	584
Provision for capital expenditure	<u>1,500</u>		
	<u>\$(2,210)</u>		
Accumulated surplus, beginning of year		<u>7,107</u>	<u>6,523</u>
Accumulated surplus, end of year		<u>\$10,775</u>	<u>\$ 7,107</u>

RURAL MUNICIPALITY OF ALEXANDRA

STATEMENT OF CASH FLOWS

(UNAUDITED)

MARCH 31, 2019

	<u>FIFTEEN MONTH PERIOD ENDED MARCH 31, 2019</u>	<u>YEAR ENDED DECEMBER 31, 2017</u>
Cash provided by (used in)		
Operating activities		
Annual surplus	\$ 3,668	\$ 584
Increase in prepaid expense	(2,569)	
Increase in payables and accruals	<u>2,588</u>	
Increase in cash	3,687	584
Cash, beginning of period	<u>6,878</u>	<u>6,294</u>
Cash, end of period	<u>\$ 10,565</u>	<u>\$ 6,878</u>

RURAL MUNICIPALITY OF ALEXANDRANOTES TO FINANCIAL STATEMENTS

(UNAUDITED)

MARCH 31, 2019

## 1. Nature of operations

The Rural Municipality of Alexandra is incorporated under the Province of Prince Edward Island Municipality Act and provides services for the residents of Alexandra.

## 2. Summary of significant accounting policies

## (a) Basis of presentation

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards of The Chartered Professional Accountants of Canada.

## (b) Cash

Cash is defined as cash on hand and cash on deposit net of cheques issued and outstanding at the report date.

## (c) Financial instruments

Financial instruments consist of cash, payables and accruals.

## (d) Tangible capital assets

Tangible capital assets are recorded at cost and are not being amortized.

## (e) Use of estimates

The presentation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period they become known.

## (f) Revenue recognition

Tax revenue consists of property tax billings which are received directly from the Province of Prince Edward Island. Taxes are billed based on the assessment rolls provided by the Province of Prince Edward Island at rates established by the Rural Municipality. Taxation revenue is recorded as it is received in monthly installments from the Province of Prince Edward Island. Other revenue is recorded when it is earned and collection is reasonably assured.

## 3. Tangible capital assets

The tangible capital assets consist of the Community Center which was purchased from the Woman's Institute of Alexandra for \$5. and is carried at its original cost.