



Grant Thornton

Financial Statements

Village of Weymouth

March 31, 2020

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Independent Auditor's Report

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To the Board of Commissioners of the Village of Weymouth

Opinion

We have audited the financial statements of the Village of Weymouth ("the Village"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations, change in net financial assets and cash flows 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 Village of Weymouth as at March 31, 2020, and its results of operations, its changes in its net assets, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Village 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 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.

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

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

Auditor's Report on 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 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. 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.

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 override 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 Village'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 Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Village 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.

Grant Thornton LLP

Chartered Professional Accountants

Ogby, Canada
December 7, 2020

Management's Responsibility for Financial Reporting

The financial statements are the responsibility of the Board of Commissioners and have been prepared in compliance with legislation, and in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly where transactions affecting the current account period cannot be finalized with certainty until future periods.

The Board of Commissioners maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

On behalf of the Village of Weymouth

Commissioner _____

Clerk _____

Village of Weymouth

Statement of Operations

Year Ended March 31

	2020		2019	
	Budget			
Revenue				
Village rentals	\$ 41,000	\$ 41,000	\$ 41,000	\$ 41,000
Canada Post village supply	-	395	-	150
Grants and contributions				
Weymouth Fire Department	400	400	400	400
Municipal service grant	7,000	7,200	7,200	7,200
Financial rebates	800	200	800	200
	<u>8,200</u>	<u>7,800</u>	<u>8,800</u>	<u>8,800</u>
Interest	500	1,340	500	1,070
Gain on sale of capital asset	-	12,000	-	-
Rents	<u>25,000</u>	<u>25,170</u>	<u>25,700</u>	<u>25,700</u>
Total revenues	<u>80,000</u>	<u>88,010</u>	<u>81,800</u>	<u>81,870</u>
Expenditures				
Contract government				
Salaries	4,000	4,400	4,800	4,800
Professional fees	5,400	5,100	5,300	5,300
Repairs and maintenance	12,000	11,200	10,871	10,871
Miscellaneous	3,800	1,000	100	100
Stationery and office	800	710	800	800
	<u>36,000</u>	<u>32,410</u>	<u>32,571</u>	<u>32,571</u>
Street lighting	<u>14,000</u>	<u>13,000</u>	<u>14,000</u>	<u>14,000</u>
Fire protection				
Grant to fire department	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Home care/CH	24,500	25,000	23,470	23,470
Insurance	9,800	9,400	9,400	9,400
Medical centre utilities and maintenance	11,000	17,100	24,000	24,000
Amortization	<u>31,000</u>	<u>32,800</u>	<u>31,450</u>	<u>31,450</u>
	<u>86,300</u>	<u>79,600</u>	<u>89,390</u>	<u>89,390</u>
Total expenditures	<u>122,300</u>	<u>124,010</u>	<u>121,960</u>	<u>121,260</u>
Annual deficit	\$ <u>(42,300)</u>	\$ <u>(35,990)</u>	\$ <u>(40,160)</u>	\$ <u>(39,390)</u>
Accumulated surplus, beginning of year		<u>62,400</u>	<u>98,810</u>	<u>98,810</u>
Accumulated surplus, end of year		<u>\$ 29,410</u>	<u>\$ 58,650</u>	<u>\$ 59,420</u>

See accompanying notes to the financial statements.

Village of Weymouth
Statement of Financial Position

March 31

	2020	2019
Financial Assets		
Cash and cash equivalents	\$ 195,795	\$ 187,518
Restricted cash	5,188	1,308
HST receivable	1,874	2,419
	<u>198,857</u>	<u>191,245</u>
Liabilities		
Payables and accruals	12,162	9,821
Deferred revenue	6,323	4,792
	<u>18,485</u>	<u>14,613</u>
Net financial assets	<u>180,372</u>	<u>176,632</u>
Non-financial assets		
Tangible capital assets (Note 3)	628,819	681,444
Prepaid expenses	5,871	5,031
	<u>634,690</u>	<u>686,475</u>
Accumulated Surplus	<u>\$ 815,062</u>	<u>\$ 863,107</u>

See accompanying notes to the financial statements.

On behalf of the Village Commission

Commissioner

Clara

Village of Weymouth
Statement of Change in Net Financial Assets

Year Ended March 31		2020	2019
	Budget		
Annual deficit	\$ (28,349)	\$ (27,267)	\$ (28,407)
Amortization of tangible capital assets	33,699	32,893	33,687
Acquisition of tangible capital assets	—	—	(6,873)
	<u>(4,650)</u>	<u>(4,374)</u>	<u>(1,593)</u>
Acquisition of prepaid expenses	(5,013)	(5,071)	(5,013)
Use of prepaid expenses	4,943	5,211	4,943
	<u>(70)</u>	<u>(860)</u>	<u>(773)</u>
Increase in net financial assets	<u>\$ (4,420)</u>	<u>5,180</u>	<u>3,904</u>
Net financial assets			
Beginning of year		<u>175,893</u>	<u>172,989</u>
End of year		<u>\$ 182,532</u>	<u>\$ 179,902</u>

See accompanying notes to the financial statements.

Village of Weymouth
Statement of Cash Flows

Year Ended March 31

2020

2019

Operating activities

Annual deficit	\$ (27,367)	\$ (28,407)
Amortization	<u>32,685</u>	<u>33,857</u>
	5,318	5,450

Change in non-cash working capital

Decrease (increase) in A/D/T receivable	645	(1,562)
Increase (prepaid) expenses	(56)	(78)
Increase in payables and accounts	2,289	93
Decrease in reserve account	28	28
Decrease in deferred revenue	<u>(400)</u>	<u>(400)</u>
	1,806	1,093

Investing activities

Acquisition of tangible capital assets	<u>-</u>	<u>(4,875)</u>
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Net increase in cash and cash equivalents **7,606** **1,400****Cash and cash equivalents**

Beginning of year	<u>187,818</u>	<u>186,868</u>
End of year	\$ <u>195,424</u>	\$ <u>188,268</u>

See accompanying notes to the financial statements.

Village of Weymouth

Notes to the Financial Statements

March 31, 2020

1. Summary of significant accounting policies

Basis of presentation

The financial statements of the Village of Weymouth are the representation of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Village and the changes therein. The Statement of Financial Position includes all of the assets and liabilities of the Village.

Significant aspects of the accounting policies adopted by the Village are as follows:

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt. The costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land	Indefinite
Land improvements	20 – 25 years
Municipal buildings	40 years
Electronic data equipment	3 – 5 years
Small equipment	5 years
Machinery and equipment	10 – 15 years
Vehicles	5 years
Structures	20 – 25 years
Power lines	50 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

Basis of accounting

The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation.

Revenue recognition

The Municipality of the District of Digby assesses and collects Village service rates on behalf of the Village. Revenue is recorded when the Village receives the service rates annually from the Municipality of Digby. Rental revenue is recognized at the beginning of each month.

Budget

The budget figures contained in these financial statements were approved by the Commissioners on February 3, 2020.

Village of Weymouth
Notes to the Financial Statements
March 31, 2020

2. Subsequent events

Subsequent to year end, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses have been forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, physical distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

To date, the impact on the Village has been minimal. As a result of public directions from the Nova Scotia Chief Medical Officer of Health, and the Minister of Municipal Affairs and Housing, certain Village functions and facilities have been limited; however, the Village continues to operate.

The Village has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended March 31, 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Village in future periods.

Village of Weymouth Notes to the Financial Statements

Year Ended March 31

3. Tangible capital assets

	Reserve Fund	Accounts	Reserve	Ending Cost	Deprecy Accumulated	Adjustments	Application	Accumulated Amortization	2015 Net Book Value	2014 Net Book Value
Land	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ 45,000
- improvements	77,076	-	-	77,076	49,383	-	2,197	52,218	24,858	24,858
- Municipal Exchange	482,487	-	-	482,487	371,268	-	27,084	393,363	487,754	508,856
- Electrician Job	-	-	-	-	-	-	-	-	-	-
- equipment	25,187	-	-	25,187	16,428	-	583	21,609	3,578	2,714
- Street equipment	-	-	-	4,228	1,728	-	272	1,456	2,776	1,492
- Machinery and equipment	528,288	-	-	1,282,288	792,424	-	4,288	152,710	24,478	28,866
- vehicles	489,271	-	99,878	589,271	427,217	88,628	-	292,711	-	-
- Motorbikes	497,343	-	-	927,343	508,829	-	993	937,537	344	414
- Snowblows	-	-	-	158,178	88,848	-	2,028	86,820	25,852	26,672
- Snow tires	-	-	-	-	-	-	-	-	-	-
	\$ 2,489,054	\$ -	\$ 1,000,000	\$ 2,937,226	\$ 1,429,286	\$ 148,126	\$ 52,682	\$ 1,530,000	\$ 839,838	\$ 851,444