



Grant Thornton

Financial Statements

Village of Weymouth

March 31, 2022

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Independent Auditor's Report

Grant Thornton LLP
Bath Place
68 Water Street, PO Box 848
Digby, NS
B0V 1A3
T +1 902 245 2503
F +1 902 245 6161

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, 2022, 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, 2022, 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 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 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 scepticism 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.

Digby, Canada
June 13, 2022

Grant Thornton LLP

Chartered Professional Accountants

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 judgement, particularly when 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	2022		2021
	<u>Budget</u>		
Revenues			
Village service rate	\$ 53,000	\$ 55,980	\$ 53,374
Canada Post Village Supply	-	224	218
Grants and contributions			
Weymouth Fire Department	3,864	3,864	459
Municipal service grant	7,250	7,250	7,250
Provincial rebates	1,100	138	222
	<u>12,214</u>	<u>11,252</u>	<u>7,931</u>
Interest	500	575	597
Rental	<u>30,000</u>	<u>31,630</u>	<u>30,147</u>
Total revenues	<u>95,714</u>	<u>99,661</u>	<u>92,267</u>
Expenditures			
General government			
Clerk's salary	4,800	4,800	4,800
Professional fees	5,400	5,724	5,163
Repairs and maintenance	13,900	7,929	6,384
Miscellaneous	5,000	715	690
Stationery and office	<u>600</u>	<u>310</u>	<u>205</u>
	<u>30,700</u>	<u>19,478</u>	<u>17,242</u>
Street lighting	<u>12,000</u>	<u>12,618</u>	<u>11,095</u>
Fire protection			
Grant to fire department	<u>500</u>	-	-
Home care utilities and maintenance	22,500	22,708	22,936
Insurance	9,500	9,899	8,710
Medical centre utilities and maintenance	19,700	16,500	17,779
Amortization	<u>35,000</u>	<u>31,523</u>	<u>32,356</u>
	<u>86,700</u>	<u>80,630</u>	<u>81,781</u>
Total expenditures	<u>129,900</u>	<u>112,726</u>	<u>110,118</u>
Annual deficit	\$ <u>(34,185)</u>	(13,065)	(17,851)
Accumulated surplus, beginning of year		<u>798,191</u>	<u>816,042</u>
Accumulated surplus, end of year		\$ <u>785,126</u>	\$ <u>798,191</u>

See accompanying notes to the financial statements.

Village of Weymouth
Statement of Financial Position

March 31	2022	2021
Financial assets		
Cash and cash equivalents	\$ 221,588	\$ 208,688
Restricted cash	1,188	1,188
Receivables	<u>3,055</u>	<u>2,093</u>
	<u>225,831</u>	<u>211,969</u>
Liabilities		
Payables and accruals	11,354	12,086
Deferred revenue	<u>-</u>	<u>3,864</u>
	<u>11,354</u>	<u>15,950</u>
Net financial assets	<u>214,477</u>	<u>196,019</u>
Non-financial assets		
Tangible capital assets (Note 2)	564,960	596,483
Prepays	<u>5,689</u>	<u>5,689</u>
	<u>570,649</u>	<u>602,172</u>
Accumulated surplus	<u>\$ 785,126</u>	<u>\$ 798,191</u>

See accompanying notes to the financial statements.

On behalf of the Village Commission

_____ Commissioner _____ Clerk

Village of Weymouth
Statement of Change in Net Financial Assets

Year Ended March 31

2022

2021

	<u>Budget</u>		
Annual deficit	\$ (34,186)	\$ (13,065)	\$ (17,851)
Amortization of tangible capital assets	<u>35,000</u>	<u>31,523</u>	<u>32,356</u>
	814	18,458	14,505
Acquisition of prepaids	(5,689)	(5,071)	(5,689)
Use of prepaids	<u>5,071</u>	<u>5,071</u>	<u>5,071</u>
	<u>(618)</u>	-	<u>(618)</u>
Increase in net financial assets	\$ <u>196</u>	18,458	13,887
Net financial assets			
Beginning of year		<u>196,019</u>	<u>182,132</u>
End of year		\$ <u>214,477</u>	\$ <u>196,019</u>

See accompanying notes to the financial statements.

Village of Weymouth
Statement of Cash Flows

Year Ended March 31

2022

2021

Operating activities

Annual deficit	\$ (13,065)	\$ (17,851)
Amortization	<u>31,523</u>	<u>32,356</u>
	18,458	14,505
Change in non-cash working capital		
Increase in receivables	(962)	(519)
Increase in prepaids	-	(618)
Decrease in payables and accruals	(732)	(16)
Decrease in deferred revenue	<u>(3,864)</u>	<u>(459)</u>
Net increase in cash and cash equivalents	<u>12,900</u>	<u>12,893</u>
Cash and cash equivalents		
Beginning of year	<u>208,688</u>	<u>195,795</u>
End of year	\$ <u>221,588</u>	\$ <u>208,688</u>

See accompanying notes to the financial statements

Village of Weymouth

Notes to the Financial Statements

March 31, 2022

1. Summary of significant accounting policies

Basis of presentation

The financial statements of the Village of Weymouth are prepared by management 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 thereto. 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
Sidewalks	20 – 25 years
Sewer 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 December 6, 2021.

Village of Weymouth

Notes to the Financial Statements

March 31, 2022

1. Summary of significant accounting policies (continued)

As of the date of authorization of these financial statements, several new, but not yet effective standards have been published by the PSAB. None of these standards have been adopted early by the Village.

Effective for the fiscal period beginning on April 1, 2022, the Village is required to adopt the following Public Sector Accounting standards:

Section 3280 asset retirement obligations, which establishes the recognition, measurement and disclosure requirements for reporting liabilities associated with the retirement of capital assets.

Section 3450 financial instruments, which establishes standards for recognizing and measuring financial assets, financial liabilities, and non-financial derivatives.

Section 2601 foreign currency translation, 1201 financial statement presentation, and 3041 portfolio investments revise current standards that the Village has already applied.

The Village is in the process of determining the impact of these new standards on the financial statements.

Village of Weymouth Notes to the Financial Statements

Year Ended March 31

2. Tangible capital assets

	Beginning Cost	Additions	Disposals	Ending Cost	Opening Accumulated Amortization	Adjustments	Amortization	Ending Accumulated Amortization	2022 Net Book Value	2021 Net Book Value
Land	\$ 45,001	-	-	\$ 45,001	-	-	-	-	\$ 45,001	\$ 45,001
Land										
Improvements	77,576	-	-	77,576	64,336	-	1,827	66,163	11,413	13,240
Municipal buildings	882,857	-	-	882,857	417,127	-	22,064	439,191	443,666	465,730
Electronic data equipment	22,187	-	-	22,187	21,062	-	563	21,625	562	1,125
Small equipment	8,226	-	-	8,226	7,481	-	372	7,853	373	745
Machinery and equipment	129,288	-	-	129,288	112,747	-	4,504	117,251	12,037	16,541
Vehicles	350,211	-	-	350,211	350,211	-	-	350,211	-	-
Sidewalks	937,343	-	-	937,343	937,136	-	103	937,238	105	206
Sewer lines	104,519	-	-	104,519	50,626	-	2,090	52,716	51,803	53,893
	<u>\$ 2,557,208</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,557,208</u>	<u>\$ 1,960,725</u>	<u>\$ -</u>	<u>\$ 31,523</u>	<u>\$ 1,992,248</u>	<u>\$ 564,969</u>	<u>\$ 596,483</u>