

TOWN OF ARCOLA
Statement of Financial Position
As at December 31, 2013

Statement 1

	2013	2012
ASSETS		
Financial Assets		
Cash & Temporary Investments	\$ 693,870	\$ 486,729
Taxes Receivable - Municipal	37,682	38,338
Other Accounts Receivable	92,153	92,694
Land for Resale	352,448	385,804
Investments	-	-
Other	-	-
Total Financial Assets	1,176,153	1,003,565
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable	43,552	45,260
Accrued Liabilities Payable	-	-
Deposits	35,199	34,291
Deferred Revenue	-	-
Accrued Landfill Costs	-	-
Other Liabilities	-	-
Long-Term Debt	551,200	700,070
Lease Obligations	-	-
Total Liabilities	629,951	779,621
NET FINANCIAL ASSETS	546,202	223,944
Tangible Capital Assets	4,726,430	4,703,028
Prepayment and Deferred Charges	9,468	922
Stock and Supplies	37,909	35,113
Other	-	-
Total Non-Financial Assets	4,773,807	4,739,063
Accumulated Surplus (Deficit)	\$ 5,320,009	\$ 4,963,007

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

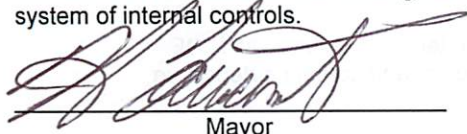
To the Residents of the
Town of Arcola

Management of the **TOWN OF ARCOLA** has the responsibility for preparing the accompanying financial statements and ensuring that all information in the related reports is consistent with the statements. This responsibility includes selecting appropriate accounting principles and making objective judgments and estimates in accordance with Canadian public sector accounting standards.

In discharging its responsibilities for the integrity and fairness of the financial statements and for the accounting systems from which they are derived, management maintains the necessary systems of internal controls designed to provide assurance that transactions are authorized, assets are safeguarded and proper records maintained.

Ultimate responsibility for financial statements to the residents of the municipality lies with the Council who review the financial statements in detail with management prior to their approval for publication.

External auditors are appointed by the Council to audit the financial statements and are available to meet separately with both the Council and management to review their findings. The external auditors have full and free access to the Council to discuss their audit and their findings as to the integrity of the municipality's financial reporting and the adequacy of the system of internal controls.



Mayor



Administrator

TOWN OF ARCOLA
Statement of Operations
For the year ended December 31, 2013

Statement 2

	2013 Budget	2013	2012
Revenues			
Taxes and Other Unconditional Revenue	\$ 723,365	\$ 728,326	\$ 663,341
Fees and Charges	375,290	372,582	381,698
Conditional Grants	-	29,617	12,592
Tangible Capital Assets Sales - Gain	-	1,577	-
Land Sales - Gain	90,800	67,544	84,524
Investment Income and Commissions	12,240	11,439	14,358
Other Revenues	8,130	16,065	17,145
Total Revenues	1,209,825	1,227,150	1,173,658
Expenses			
General Government Services	133,190	120,837	105,280
Protective Services	42,130	51,831	45,395
Transportation Services	251,310	287,623	209,087
Environmental and Public Health Services	108,400	115,821	121,423
Planning and Development Services	13,860	22,960	18,283
Recreation and Cultural Services	92,490	87,653	101,751
Utility Services	341,950	336,738	292,677
Total Expenses	983,330	1,023,463	893,896
Surplus (Deficit) before Other Capital Contributions	226,495	203,687	279,762
Provincial/Federal Capital Grants and Contributions	18,367	153,315	83,537
Surplus (Deficit) of Revenues over Expenses	244,862	357,002	363,299
Accumulated Surplus (Deficit), Beginning of Year	4,963,007	4,963,007	4,599,708
Accumulated Surplus (Deficit), End of Year	\$ 5,207,869	\$ 5,320,009	\$ 4,963,007

REPORT OF INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS

To the Mayor and Councillors
TOWN OF ARCOLA

The accompanying summary financial statements, which comprise the statement of financial position as at December 31, 2013 and the statement of operations for the year then ended, are derived from the audited financial statements of the TOWN OF ARCOLA for the year ended December 31, 2013. We expressed a qualified audit opinion on those financial statements in our report dated March 26, 2014.

The summary financial statements do not contain all the disclosures required by Canadian public sector accounting standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the TOWN OF ARCOLA.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with Canadian public sector accounting standards.

Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Qualified Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the TOWN OF ARCOLA for the year ended December 31, 2013 are a fair summary of those financial statements, and contain a departure from Canadian public sector accounting standards as discussed below.

The audited financial statements of the TOWN OF ARCOLA for the year ended December 31, 2013 contains a qualified audit opinion in our report dated March 26, 2014. Our qualified audit opinion is based on the fact that the town has not included the operations and the assets and liabilities of the Prairie Place Complex, which is a controlled entity of the town. Our qualified audit opinion states that, except for the effects of the issue noted above, those financial statements present fairly, in all material respects, the financial position of TOWN OF ARCOLA as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Dudley & Company
Dudley & Company
Chartered Accountants LLP