

# **Community of York**

## **Financial Statements**

**For the Year Ended March 31, 2020**  
*(Unaudited)*



## **INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT**

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To the Members of Community of York

We have reviewed the accompanying financial statements of the Community of York that comprise the statement of financial position as at March 31, 2020, and the statement of operations, the statement of changes in net financial assets, the statement of cash flows and a summary of significant accounting policies and other explanatory information for the year then ended.

### **Management's Responsibility for the Financial Statements**

The Community of York is responsible for the preparation and fair presentation of these financial statements in accordance with public sector accounting standards, and for such internal control as the Community of York 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**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us 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, we do not express an audit opinion on these financial statements.

### **Conclusion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Community of York as at March 31, 2020 and the results of its operations and its cash flows for the year then ended, in accordance with Public Sector Accounting Standards.

Chartered Professional Accountants  
June 30, 2020  
Charlottetown, PE

# Community of York

## Statement of Financial Position

As at March 31, 2020, with comparative figures for 2019

(Unaudited)

|  | 2020             | 2019             |
|--|------------------|------------------|
| <b>Assets</b>                                |                  |                  |
| Financial assets:                            |                  |                  |
| Cash   | \$ 58,487        | \$ 27,965        |
| Accounts receivable (note 2)                 | 2,004            | 2,754            |
|  | <u>60,491</u>    | <u>30,719</u>    |
| <b>Liabilities</b>                           |                  |                  |
| Current liabilities:                         |                  |                  |
| Deferred revenue                             | 16,292           | -                |
| Accounts payable and accrued liabilities     | 2,120            | 1,203            |
| Net financial assets                         | <u>42,079</u>    | <u>29,516</u>    |
| Non-financial assets:                        |                  |                  |
| Prepaid expenses                             | 660              | 462              |
| Property and equipment (note 3)              | 39,447           | 42,916           |
|  | <u>40,107</u>    | <u>43,378</u>    |
| Net financial assets and accumulated surplus | <u>\$ 82,186</u> | <u>\$ 72,894</u> |

On Behalf of the Council:

\_\_\_\_\_, Member

\_\_\_\_\_, Member

# Community of York

## Statement of Operations

For the Year Ended March 31, 2020, with comparative figures for the 455 day period ended March 31, 2019

(Unaudited)

|  | 2020 Budget   | 2020          | 2019          |
|--|---------------|---------------|---------------|
| <b>Revenue:</b>                          |               |               |               |
| Property tax revenue                     | \$ 25,861     | \$ 50,016     | \$ 53,234     |
| Canada Fed Grant                         | 11,206        | 12,623        | 9,853         |
| Rental                                   | 5,025         | 5,855         | 6,116         |
| Interest                                 | -             | 58            | 34            |
| Gas tax transfer                         | -             | -             | 14,403        |
|  | <u>42,092</u> | <u>68,552</u> | <u>83,640</u> |
| <b>Expenditures:</b>                     |               |               |               |
| Administration                           |               |               |               |
| Administration                           | 9,200         | 6,660         | 5,859         |
| Advertising and promotion                | -             | 601           | 740           |
| Fire dues                                | -             | 22,989        | 23,214        |
| Interest and bank charges                | -             | 88            | 127           |
| Office expenses                          | 1,245         | 854           | 138           |
| Professional fees                        | 2,200         | 3,427         | 3,735         |
| Property tax                             | -             | -             | (1,957)       |
| Facilities and public property:          |               |               |               |
| Amortization                             | -             | 3,469         | 2,446         |
| Heat                                     | 388           | 764           | 982           |
| Insurance                                | 3,805         | 3,264         | 4,294         |
| Repairs and maintenance                  | 6,792         | 10,450        | 7,795         |
| Special events                           | -             | 282           | 190           |
| Election Expenditures                    | -             | -             | 2,269         |
| Utilities                                | 6,105         | 6,412         | 7,603         |
|  | <u>29,735</u> | <u>59,260</u> | <u>57,435</u> |
| Annual surplus                           | 12,357        | 9,292         | 26,205        |
| Accumulated surplus at beginning of year |               | 72,894        | 46,689        |
| Accumulated surplus at end of year       |               | \$ 82,186     | \$ 72,894     |

The accompanying notes are an integral part of these financial statements.

# Community of York

## Statement of Changes in Net Financial Assets

As at March 31, 2020, with comparative figures for 2019

*(Unaudited)*

|   | 2020 |        | 2019 |        |
|---|------|--------|------|--------|
| Annual surplus                            | \$   | 9,292  | \$   | 26,205 |
| Net financial assets at beginning of year |      | 72,894 |      | 46,689 |
| Net financial assets at end of year       | \$   | 82,186 | \$   | 72,894 |

# Community of York

## Statement of Cash Flows

For the Year Ended March 31, 2020, with comparative figures for the 455 day period ended March 31, 2019  
(Unaudited)

|                                       | 2020             | 2019             |
|---------------------------------------|------------------|------------------|
| Cash flows from operating activities: |                  |                  |
| Net earnings                          | \$ 9,292         | \$ 26,205        |
| Amortization                          | 3,469            | 2,446            |
| Change in non-cash working capital    | 17,761           | (6,484)          |
| Purchase of property and equipment    | -                | (14,917)         |
|                                       | <u>30,522</u>    | <u>7,250</u>     |
| Cash at beginning of year             | 27,965           | 20,715           |
| Cash at end of year                   | <u>\$ 58,487</u> | <u>\$ 27,965</u> |

# Community of York

## Notes to the Financial Statements

For the Year Ended March 31, 2020, with comparative figures for the 455 day period ended March 31, 2019  
(Unaudited)

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The Community of York was incorporated in 1986 under the Prince Edward Island Municipalities Act. Its principal activities include the provision of local government services to residents of the incorporated area. These services include community development, land development and zoning, and additional municipal services.

### 1. Significant accounting policies:

a) Basis for presentation:

The financial statements of the Community are prepared, in all material respects, in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Professional Accountants.

b) Tangible Capital Assets:

Property and equipment are stated at cost. Amortization is provided for using the declining balance basis at the following rates:

|                    | Rate |
|--------------------|------|
| Buildings          | 5%   |
| Equipment          | 20%  |
| Computer Equipment | 55%  |

c) Revenue recognition:

The Community follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

c) Government transfers:

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, and any eligibility criteria have been met and reasonable estimates on the amounts can be determined.

d) Financial instruments:

The Community's financial instruments consist of cash, accounts receivable, prepaid expenses and accounts payable. Unless otherwise noted, it is management's opinion that the Community is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

# Community of York

## Notes to the Financial Statements

For the Year Ended March 31, 2020, with comparative figures for the 455 day period ended March 31, 2019  
(Unaudited)

### 2. Accounts receivable

|              |    | 2020  |    | 2019  |
|--------------|----|-------|----|-------|
| HST          | \$ | 2,004 | \$ | 2,413 |
| Property tax |    | -     |    | 341   |
|              | \$ | 2,004 | \$ | 2,754 |

### 3. Tangible capital assets:

|                    | Cost      | Accumulated<br>Amortization | 2020<br>Net Book<br>Value | 2019<br>Net Book<br>Value |
|--------------------|-----------|-----------------------------|---------------------------|---------------------------|
| Land               | \$ 9,506  | \$ -                        | \$ 9,506                  | \$ 9,506                  |
| Buildings          | 25,007    | 1,884                       | 23,123                    | 24,087                    |
| Equipment          | 8,325     | 2,331                       | 5,994                     | 7,492                     |
| Computer Equipment | 2,525     | 1,701                       | 824                       | 1,831                     |
|                    | \$ 45,363 | \$ 5,916                    | \$ 39,447                 | \$ 42,916                 |