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**Annual Financial Statement**  
And Supporting Schedules

**For The**

TOWN OF KINDERSLEY

**For the Year Ended December 31, 2013**

**CHARTERED ACCOUNTANTS**

R.F. Perkins, B.Comm., F.C.A.\*  
R.D. Hauta, B.Comm., C.A.\*  
M.W. Close, B.Comm., C.A.\*  
A.R. Bertoia, B.Comm., C.A.\*

**Associates:**

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**INDEPENDENT AUDITOR'S REPORT**

To the Mayor and Council of the Town of Kindersley

We have audited the accompanying financial statements of the Town of Kindersley, which comprise the statement of financial position as at December 31, 2013, and the statements of operations, change in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by management based on the financial reporting provisions provided by the Government of Saskatchewan for local governments.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions provided by the Government of Saskatchewan for municipalities, 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.

*Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Town of Kindersley as at December 31, 2013, the results of its operations, change in net financial assets (debt) and its cash flows for the year then ended in accordance with the financial reporting provisions provided by the Government of Saskatchewan for local governments.

*Basis of Accounting*

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Town of Kindersley to meet the requirements of the Government of Saskatchewan. As a result, the financial statements may not be suitable for another purpose.

*Close Perlin + Haute*

KINDERSLEY, Saskatchewan

Chartered Accountants

June 10, 2014

## Management's Responsibility

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Council is composed of elected officials who are not employees of the Municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Close, Perkins & Haulta, an independent firm of Chartered Accountants, is appointed by the council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.



Councilor/Reeve/Mayor



CFO/Administrator

**Municipality of Town of Kindersley**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2013**

Statement 1

	2013	2012
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and Temporary Investments (Note 2)	5,946,325	7,759,522
Taxes Receivable - Municipal (Note 3)	376,528	360,139
Other Accounts Receivable (Note 4)	1,699,241	11,478,831
Land for Resale (Note 5)	1,086,580	1,141,579
Long-Term Investments (Note 6)	28,182	26,328
Other (Specify)		
<b>Total Financial Assets</b>	<b>9,136,857</b>	<b>20,766,399</b>
<b>LIABILITIES</b>		
Bank Indebtedness (Note 7)		
Accounts Payable	648,070	1,221,115
Accrued Liabilities Payable		
Deposits	310,566	295,201
Deferred Revenue (Note 8)		
Accrued Landfill Costs (Note 9)		
Other Liabilities		-
Long-Term Debt (Note 10)	10,838,585	11,551,114
Lease Obligations (Note 11)		
<b>Total Liabilities</b>	<b>11,797,221</b>	<b>13,067,430</b>
<b>NET FINANCIAL ASSETS</b>	<b>(2,660,364)</b>	<b>7,698,969</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Schedule 6, 7)	51,754,586	38,167,977
Prepayments and Deferred Charges	(98,115)	(104,642)
Stock and Supplies	110,761	259,584
Other (Note 12)	-	-
<b>Total Non-Financial Assets</b>	<b>51,767,232</b>	<b>38,322,919</b>
<b>Accumulated Surplus (Deficit) (Schedule 8)</b>	<b>49,106,867</b>	<b>46,021,887</b>

**Municipality of Town of Kindersley**  
**Consolidated Statement of Operations**  
**As at December 31, 2013**

Statement 2

	2013 Budget	2013	2012
<b>Revenues</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	6,730,000	6,867,141	6,598,954
Fees and Charges (Schedule 4, 5)	4,279,150	4,849,919	4,266,760
Conditional Grants (Schedule 4, 5)	422,200	445,644	474,844
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	263,974	89,593	2,418,406
Land Sales - Gain (Schedule 4, 5)	25,000	283,220	217,789
Investment Income and Commissions (Schedule 4, 5)	109,915	100,567	90,603
Other Revenues (Schedule 4, 5)	-	-	-
<b>Total Revenues</b>	<b>11,830,239</b>	<b>12,636,082</b>	<b>14,067,356</b>
<b>Expenses</b>			
General Government Services (Schedule 3)	1,367,250	1,531,673	1,301,892
Protective Services (Schedule 3)	721,850	789,854	744,563
Transportation Services (Schedule 3)	1,871,400	2,115,207	1,909,218
Environmental and Public Health Services (Schedule 3)	700,600	877,481	642,792
Planning and Development Services (Schedule 3)	299,500	282,578	188,335
Recreation and Cultural Services (Schedule 3)	1,877,500	2,112,697	2,007,387
Utility Services (Schedule 3)	1,979,025	2,116,310	1,923,528
<b>Total Expenses</b>	<b>8,817,125</b>	<b>9,825,799</b>	<b>8,717,715</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>3,013,114</b>	<b>2,810,283</b>	<b>5,349,641</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	397,132	274,698	3,732,438
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>3,410,246</b>	<b>3,084,981</b>	<b>9,082,079</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>46,021,887</b>	<b>46,021,887</b>	<b>36,939,808</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>49,432,133</b>	<b>49,106,867</b>	<b>46,021,887</b>

**Municipality of Town of Kindersley**  
**Consolidated Statement of Change in Net Financial Assets**  
**As at December 31, 2013**

Statement 3

	2013 Budget	2013	2012
<b>Surplus (Deficit)</b>	3,410,246	3,084,981	9,082,079
(Acquisition) of tangible capital assets	(4,912,508)	(14,941,205)	(4,194,540)
Amortization of tangible capital assets		1,295,578	1,203,996
Proceeds on disposal of tangible capital assets		148,610	2,480,348
Loss (gain) on the disposal of tangible capital assets		(89,593)	(2,418,406)
<b>Surplus (Deficit) of capital expenses over expenditures</b>	<b>(4,912,508)</b>	<b>(13,586,610)</b>	<b>(2,928,601)</b>
(Acquisition) of supplies inventories			
(Acquisition) of prepaid expense		(6,527)	
Consumption of supplies inventory		148,824	50,706
Use of prepaid expense			224,157
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>	<b>-</b>	<b>142,297</b>	<b>274,862</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>(1,502,262)</b>	<b>(10,359,332)</b>	<b>6,428,340</b>
<b>Net Financial Assets - Beginning of Year</b>	<b>7,698,969</b>	<b>7,698,969</b>	<b>1,270,629</b>
<b>Net Financial Assets - End of Year</b>	<b>6,196,707</b>	<b>(2,660,364)</b>	<b>7,698,969</b>

**Municipality of Town of Kindersley**  
**Consolidated Statement of Cash Flow**  
**As at December 31, 2013**

Statement 4

	2013	2012
<b>Cash provided by (used for) the following activities</b>		
<b>Operating:</b>		
Surplus (Deficit)	3,084,981	9,082,079
Amortization	1,295,578	1,203,996
Loss (gain) on disposal of tangible capital assets	(89,593)	(2,418,406)
	<u>4,290,966</u>	<u>7,867,669</u>
<b>Change in assets/liabilities</b>		
Taxes Receivable - Municipal	(16,389)	(66,467)
Other Receivables	9,779,590	(665,308)
Land for Resale	54,999	71,337
Other Financial Assets	-	-
Accounts and Accrued liabilities payable	(573,045)	(442,733)
Deposits	-	18,082
Deferred Revenue	15,365	-
Accrued Landfill costs	-	-
Other Liabilities	-	-
Stock and supplies for use	148,824	50,706
Prepayments and Deferred Charges	(6,527)	224,157
Other (specify)	-	-
<b>Net cash from (used for) operations</b>	<b>13,693,782</b>	<b>7,057,443</b>
<b>Capital:</b>		
Acquisition of capital assets	(14,941,205)	(4,194,540)
Proceeds from the disposal of capital assets	148,610	2,480,348
Other capital	-	-
<b>Net cash from (used for) capital</b>	<b>(14,792,595)</b>	<b>(1,714,192)</b>
<b>Investing:</b>		
Long-term investments	(1,855)	(3,846)
Other investments	-	-
<b>Net cash from (used for) investing</b>	<b>(1,855)</b>	<b>(3,846)</b>
<b>Financing:</b>		
Long-term debt issued	-	-
Long-term debt repaid	(712,529)	(733,596)
Other financing	-	(1,500,000)
<b>Net cash from (used for) financing</b>	<b>(712,529)</b>	<b>(2,233,596)</b>
<b>Increase (Decrease) in cash resources</b>	<b>(1,813,197)</b>	<b>3,105,810</b>
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>7,759,522</b>	<b>4,653,712</b>
<b>Cash and Temporary Investments - End of Year</b>	<b>5,946,325</b>	<b>7,759,522</b>

## 1. Significant accounting policies

The consolidated financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Government of Saskatchewan. Significant aspects of the accounting policies are as follows:

**Basis of accounting:** The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

- a) **Reporting Entity:** The financial statements consolidates the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these financial statements are as follows:

Entity  
None

All inter-organizational transactions and balances have been eliminated.

- b) **Collection of funds for other authorities:** Collection of funds by the municipality for the school board, municipal hail and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.
- c) **Government Transfers:** Government transfers are recognized as either expenditures or revenues in the period that the events giving rise to the transfer occurred, as long as
- a) the transfer is authorized
  - b) eligibility criteria have been met by the recipient; and
  - c) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received but not earned will be recorded as deferred revenue.

Earned government transfer amounts not received will be recorded as an amount receivable.

- d) **Deferred Revenue - Fees and charges:** Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.
- e) **Local Improvement Charges:** Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.
- f) **Net Financial Assets:** Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.
- g) **Non-financial assets:** Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.
- h) **Appropriated Reserves:** Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.
- i) **Investments:** Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment. The long term investments in the Saskatchewan Rural Municipalities - Self insurance fund are accounted for on the equity basis.

1. Significant accounting policies - continued

- j) **Inventories:** Inventories of materials and supplies expected to be used by the municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.
- k) **Tangible Capital Assets:** All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
<i>General Assets</i>	
Land	Indefinite
Land Improvements	5 to 20 Yrs
Buildings	10 to 50 Yrs
Vehicles & Equipment	
Vehicles	5 to 10 Yrs
Machinery and Equipment	5 to 10 Yrs
<i>Infrastructure Assets</i>	
Infrastructure Assets	30 to 75 Yrs
Water & Sewer	40 to 75 Yrs
Road Network Assets	40 Yrs

[If method other than straight line used the method must be separately disclosed]

**Government contributions:** Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

**Works of Art:** Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

**Capitalization of Interest:** The municipality does [not] capitalize interest incurred while a tangible capital asset is under construction.

**Leases:** All leases are recorded on the financial statement as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital leases are amortized on a [straight line] basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as a operating lease and rental payments are expensed as incurred.

- l) **Landfill liability:** The Town of Kindersley maintains a waste disposal site. The Municipality is unable to estimate closure and post-closure costs. No amount has been recorded as an asset or a liability.
- m) **Trust Funds:** Funds held in trust for others are neither included in the municipality's assets or equity. They are disclosed in Note [16].
- n) **Employee benefit plans:** Contributions to the Town of Kindersley's defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Town of Kindersley's obligations are limited to their contributions.

**Municipality of Town of Kindersley**  
**Notes to the Consolidated Financial Statements**  
**As at December 31, 2013**

- o) **Measurement Uncertainty:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality.

The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available.

Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

- p) **Basis of segmentation/Segment report:** The Municipality has adopted in accordance with the local government accounting standards established by the Government of Saskatchewan requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: The general government segment provides for the administration of the municipality.

Protective Services: Protective services is comprised of expenses for Police and Fire protection.

Transportation Services: The transportation services segment is responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.

Planning and Development: The planning and development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The recreation and culture segment provides for community services through the provision of recreation and leisure services.

Utility Services: The utility services segment provides for delivery of water, collecting and treating of wastewater and providing

## 2. Cash and Temporary Investments

	2013	2012
Cash	5,946,325	7,759,522
Temporary Investments		
<b>Total Cash and Temporary Investments</b>	<b>5,946,325</b>	<b>7,759,522</b>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less. [Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.]

## 3. Taxes and grants in lieu receivable

	2013	2012
Municipal - Current	249,086	163,389
- Arrears	176,181	248,408
	425,267	411,797
- Less Allowance for Uncollectibles	- 48,739	- 51,658
<b>Total municipal taxes receivable</b>	<b>376,528</b>	<b>360,139</b>
School - Current	38,304	47,845
- Arrears	30,816	45,294
<b>Total school taxes receivable</b>	<b>69,120</b>	<b>93,139</b>
Other		
<b>Total taxes and grants in lieu receivable</b>	<b>445,647</b>	<b>453,278</b>
Deduct taxes receivable to be collected on behalf of other organizations	- 69,120	- 93,139
<b>Municipal and grants in lieu taxes receivable</b>	<b>376,528</b>	<b>360,139</b>

**Municipality of Town of Kindersley**  
**Notes to the Consolidated Financial Statements**  
**As at December 31, 2013**

**4. Other Accounts Receivable**

	2013	2012
Federal government	99,521	63,568
Provincial government		
Local government		
Utility	451,363	399,077
Trade	1,114,544	561,230
Other (specify)	47,909	10,461,451
Total Other Accounts Receivable	1,713,336	11,485,326

Less Allowance for Uncollectibles	- 14,095	- 6,495
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<b>Net Other Accounts Receivable</b>	<b>1,699,241</b>	<b>11,478,831</b>
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**5. Land for Resale**

Tax Title Property	32,692	32,692
Allowance for market value adjustment	- 22,738	- 22,738
Net Tax Title Property	9,954	9,954

Other Land	1,076,627	1,131,625
Allowance for market value adjustment		
Net Other Land	1,076,627	1,131,625

<b>Total Land for Resale</b>	<b>1,086,580</b>	<b>1,141,579</b>
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**6. Long-term Investments**

Other long-term investments - Kindersley Co-op Equity

Marketable securities are valued at the lower of cost and market value. **Market value at December 31, 2013 was \$28,182.** (Prior Year 2012 - \$26,328).

**7. Bank Indebtedness**

Bank indebtedness includes an operating loan amounting to \$0 (prior year 2012 - \$0) and bearing interest at prime less .55%.

**Credit Arrangements**

{Disclosure appropriate where lines of credit have been authorized, but nil amount is drawn at statement date}

At December 31, 2013, the Municipality had lines of credit totaling 1,000,000, none of which were drawn.

The following has been collateralized in connection with this line of credit:

-- General security agreement

**8. Deferred Revenue**

	2013	2012
No deferred revenue		
<b>Total Deferred Revenue</b>	<b>0</b>	<b>0</b>

**Municipality of Town of Kindersley****Notes to the Consolidated Financial Statements****As at December 31, 2013****9. Accrued Landfill Costs**

	2013	2012
Environmental liabilities	0	0

[In [year] the Municipality has accrued an overall liability for environmental matters in the amount of [\$] (prior year - \$) which represents management's best estimate of this liability. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements of changes in such estimates in future periods could be significant.]

[Included in environmental liabilities is [\$ -] (prior year - \$) of the estimated total landfill closure and post-closure care expenses. The estimated liability for these expenses is recognized as the landfill site's capacity is used. Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the Municipality's average long-term borrowing rate of [%] (prior year - %).]

[Landfill closure and post-closure care requirements have been defined in accordance with the Environmental Act and include final covering and landscaping of the landfill, pumping of ground, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 100-year period using the best information available to management. Future events may result in significant changes to the estimated total expense, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.]

**10. Long-term Debt**

a) The debt limit of the municipality is \$5,323,721. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (the Municipalities Act section 161).

b) Debenture debt is repayable at [describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand].

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2014			0	
2015			0	
2016			0	
2017			0	
2018			0	
Thereafter			0	
Balance	0	0	0	0

Bank loans are repayable [describe terms including interest rates, repayment dates and amounts, and whether any amount is due on demand].

Future principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2014	781,298		781,298	
2015	808,942		808,942	
2016	836,714		836,714	
2017	865,649		865,649	
2018	895,585		895,585	
Thereafter	6,650,397		6,650,397	
Balance	10,838,585	-	10,838,585	0

**Municipality of the Town of Kindersley**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2013**

Notes

**10. Long-Term Debt - Detail of Note 10**

**EK Pumphouse:** Bank loans are repayment in quarterly principal installments of **\$ 35,000.00** plus interest at **5.14%, due quarterly**. The bank loans are secured by a general assignment of property taxes receivable.

Future Principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2013				140,000
2014	0		0	0
Balance	0	0	0	140,000

**Water Tower:** Bank loan repayment in quarterly principal installment plus interest at **3.52% due quarterly**. The bank loans are secured by a general assignment of utility revenue receivable.

Future Principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2013				0
2014	189,188	76,712	265,900	189,188
2015	196,582	69,318	265,900	196,582
2016	203,411	62,489	265,900	203,411
2017	210,687	55,213	265,900	210,687
2018	218,223	47,677	265,900	218,223
2019	226,029	39,871	265,900	226,029
2020	233,918	31,982	265,900	233,918
2021	242,537	23,364	265,900	242,537
2022	251,150	14,750	265,900	251,150
2023	260,275	5,625	265,900	260,275
Balance	2,232,000	427,002	2,659,002	2,232,000

**Water West Project:** Bank loan repayment in a yearly principal installment plus interest at 3.42% due annually. The bank loans are secured by a general assignment of utility revenue receivable

Future Principal repayments are estimated as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2013				572,529
2014	592,110	294,345	886,455	592,110
2015	612,360	274,095	886,455	612,360
2016	633,303	253,152	886,455	633,303
2017	654,962	231,493	886,455	654,962
2018	677,361	209,094	886,455	677,361
2018	700,527	185,928	886,455	700,527
2020	724,485	161,970	886,455	724,485
2021	749,263	137,192	886,455	749,263
2022	774,887	111,568	886,455	774,887
2023	801,389	85,067	886,455	801,389
2024	828,796	57,659	886,455	828,796
2025	857,141	29,314	886,455	857,141
2026				
Balance	8,606,585	2,030,877	10,637,462	9,179,114

**Municipality of Town of Kindersley**  
**Notes to the Consolidated Financial Statements**  
**As at December 31, 2013**

**11. Lease Obligations**

Future minimum lease payments under the capital leases together with the balance of the obligation due under the capital leases are as follows:

Year	
2014	0
2015	0
2016	0
2017	0
2018	0
Thereafter	0
Total future minimum lease payments	0
Amounts representing interest at a weighted average rate of _____ %	0
Capital lease liability	0

**12. Other non-financial assets**

(List if any)

**13. Contingent liabilities**

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

The municipality is also contingently liable for the following:

**14. Pension Plan**

The Town of Kindersley is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The Town of Kindersley's pension expense in 2013 was \$163,767. The benefits accrued to the Town of Kindersley employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate.

**15. Comparative figures**

Prior year comparative figures have been restated to conform to the current year's presentation.

**16. Trusts Administered by the Municipality**

A summary of trust fund activity by the municipality during the year is as follows:

[Description of Trust i.e. Cemetery]

	Current Total	Prior Year Total
Balance - Beginning of Year		
Revenue (Specify)		
Interest revenue		
Expenditure (Specify)		
Balance - End of Year	0	0

**Municipality of Town of Kindersley**  
**Schedule of Taxes and Other Unconditional Revenue**  
**As at December 31, 2013**

Schedule 1

	2013 Budget	2013	2012
<b>TAXES</b>			
General municipal tax levy	5,300,000	5,323,721	5,188,687
Abatements and adjustments	(20,000)	(14,152)	(22,044)
Discount on current year taxes	(190,000)	(187,332)	(186,141)
<b>Net Municipal Taxes</b>	<b>5,090,000</b>	<b>5,122,237</b>	<b>4,980,501</b>
Potash tax share			
Trailer license fees	35,000	37,768	33,881
Penalties on tax arrears	88,000	96,211	94,542
Special tax levy	30,000	33,000	33,400
<b>Other (Specify)</b>			
<b>Total Taxes</b>	<b>5,243,000</b>	<b>5,289,216</b>	<b>5,142,325</b>

**UNCONDITIONAL GRANTS**

Equalization (Revenue Sharing)	945,000	1,046,032	937,591
Organized Hamlet			
<b>Total Unconditional Grants</b>	<b>945,000</b>	<b>1,046,032</b>	<b>937,591</b>

**GRANTS IN LIEU OF TAXES**

Federal	12,000	12,091	11,242
Provincial			

S.P.C. Electrical			
SaskEnergy Gas	130,000	125,279	121,490
TransGas			
SPMC - Municipal Share	22,000	22,549	22,034
SaskTel	8,000	8,406	7,945
<b>Other (Specify)</b>	37,000	26,994	35,430

**Local/Other**

Housing Authority	58,000	51,698	57,026
C.P.R. Mainline			
Treaty Land Entitlement			
<b>Other (Specify)</b>			

**Other Government Transfers**

S.P.C. Surcharge	275,000	284,876	263,871
Sask Energy Surcharge			
<b>Other (Specify)</b>			

<b>Total Grants in Lieu of Taxes</b>	<b>542,000</b>	<b>531,893</b>	<b>519,038</b>
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<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>6,730,000</b>	<b>6,867,141</b>	<b>6,598,954</b>
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**Municipality of Town of Kindersley**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2013**

Schedule 2 - 1

	2013 Budget	2013	2012
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	37,900	38,416	45,631
- Sales of supplies	500	2,061	861
- Other (Specify)			-
Total Fees and Charges	38,400	40,478	46,492
- Tangible capital asset sales - gain (loss)	-	700	-
- Land sales - gain	25,000	283,220	217,789
- Investment income and commissions	109,915	100,567	90,603
- Other (Specify)			
Total Other Segmented Revenue	173,315	424,964	354,884
Conditional Grants			
- Student Employment	-	16,118	4,370
- Other (Specify) Canada Day	-	-	30,200
Total Conditional Grants	-	16,118	34,570
<b>Total Operating</b>	<b>173,315</b>	<b>441,082</b>	<b>389,454</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax	397,132	264,775	265,189
- Canada/Sask Municipal Rural Infrastructure Fund			
- Provincial Disaster Assistance			
- Other (Specify)			3,382,561
<b>Total Capital</b>	<b>397,132</b>	<b>264,775</b>	<b>3,647,749</b>
<b>Total General Government Services</b>	<b>570,447</b>	<b>705,857</b>	<b>4,037,204</b>

**PROTECTIVE SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges	82,300	126,528	125,413
- Other (Specify)			
Total Fees and Charges	82,300	126,528	125,413
- Tangible capital asset sales - gain (loss)	-	45,000	8,328
- Other (Specify)			
Total Other Segmented Revenue	82,300	171,528	133,741
Conditional Grants			
- Student Employment			
- Local government	120,000	85,299	88,700
- Other (Specify)			
Total Conditional Grants	120,000	85,299	88,700
<b>Total Operating</b>	<b>202,300</b>	<b>256,827</b>	<b>222,441</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax			
- Provincial Disaster Assistance	-		
- Local government			
- Other (Specify)			
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Protective Services</b>	<b>202,300</b>	<b>256,827</b>	<b>222,441</b>

	2013 Budget	2013	2012
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	10,000	12,123	11,239
- Sales of supplies	1,000	686	2,360
- Road Maintenance and Restoration Agreements			
- Frontage			
- <b>Other (Specify)</b>	11,000	16,054	11,013
Total Fees and Charges	22,000	28,862	24,612
- Tangible capital asset sales - gain (loss)	147,574	14,300	-
- <b>Other (Specify)</b>			
Total Other Segmented Revenue	169,574	43,162	24,612
Conditional Grants			
- Primary Weight Corridor			
- Student Employment			
- <b>Other (Specify)</b> Airport	93,700	95,795	93,700
Total Conditional Grants	93,700	95,795	93,700
<b>Total Operating</b>	263,274	138,957	118,312
<b>Capital</b>			
Conditional Grants			
- Gas Tax			
- Canada/Sask Municipal Rural Infrastructure Fund			
- Heavy Haul			
- Designated Municipal Roads and Bridges			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b>			-
<b>Total Capital</b>	-	-	-
<b>Total Transportation Services</b>	<b>263,274</b>	<b>138,957</b>	<b>118,312</b>

**ENVIRONMENTAL AND PUBLIC HEALTH SERVICES**

<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and Disposal Fees	427,500	397,840	404,581
- <b>Other (Specify)</b>	24,000	31,037	31,537
Total Fees and Charges	451,500	428,876	436,118
- Tangible capital asset sales - gain (loss)	88,000	9,045	-
- <b>Other (Specify)</b>			
Total Other Segmented Revenue	539,500	437,921	436,118
Conditional Grants			
- Student Employment			
- Local government			
- <b>Other (Specify)</b>	24,000	22,596	24,263
Total Conditional Grants	24,000	22,596	24,263
<b>Total Operating</b>	563,500	460,517	460,381
<b>Capital</b>			
Conditional Grants			
- Gas Tax			
- Canada/Sask Municipal Rural Infrastructure Fund			
- Transit for Disabled			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b>			
<b>Total Capital</b>	-	-	-
<b>Total Environmental and Public Health Services</b>	<b>563,500</b>	<b>460,517</b>	<b>460,381</b>

**Municipality of Town of Kindersley**  
**Schedule of Operating and Capital Revenue by Function**  
**As at December 31, 2013**

Schedule 2 - 3

**PLANNING AND DEVELOPMENT SERVICES**

**Operating**

	2013 Budget	2013	2012
Other Segmented Revenue			
Fees and Charges			
- Maintenance and Development Charges	262,650	510,670	424,393
- <b>Other (Specify)</b>			
Total Fees and Charges	262,650	510,670	424,393
- Tangible capital asset sales - gain (loss)			
- <b>Other (Specify)</b>			
Total Other Segmented Revenue	262,650	510,670	424,393
Conditional Grants			
- Student Employment			
- <b>Other (Specify)</b>			
Total Conditional Grants	-	-	-
<b>Total Operating</b>	262,650	510,670	424,393

**Capital**

Conditional Grants			
- Gas Tax			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b>			

**Total Capital**

	-	-	-
<b>Total Planning and Development Services</b>	<b>262,650</b>	<b>510,670</b>	<b>424,393</b>

**RECREATION AND CULTURAL SERVICES**

**Operating**

Other Segmented Revenue			
Fees and Charges	532,300	600,706	521,272
- <b>Other (Specify)</b>			
Total Fees and Charges	532,300	600,706	521,272
- Tangible capital asset sales - gain (loss)	28,400	16,944	2,428,919
- <b>Other (Specify)</b>			
Total Other Segmented Revenue	560,700	617,650	2,950,192
Conditional Grants			
- Student Employment			
- Local government	49,500	53,296	49,665
- Donations	135,000	112,014	133,357
- <b>Other (Specify)</b> CRAG		7,500	7,500
Total Conditional Grants	184,500	172,811	190,522
<b>Total Operating</b>	<b>745,200</b>	<b>790,461</b>	<b>3,140,714</b>

**Capital**

Conditional Grants			
- Gas Tax			
- Local government			
- Provincial Disaster Assistance			
- <b>Other (Specify)</b> Sask. Culture	-	9,923	84,689
<b>Total Capital</b>	-	9,923	84,689

<b>Total Recreation and Cultural Services</b>	<b>745,200</b>	<b>800,384</b>	<b>3,225,403</b>
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Municipality of Town of Kindersley  
Schedule of Operating and Capital Revenue by Function  
As at December 31, 2013

Schedule 2 - 4

	2013 Budget	2013	2012
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	2,451,500	2,368,890	2,122,146
- Sewer	320,000	261,305	252,841
- Other (Specify)	118,500	483,603	313,474
Total Fees and Charges	2,890,000	3,113,798	2,688,461
- Tangible capital asset sales - gain (loss)	-	3,604	(18,842)
- Other (Specify)			
Total Other Segmented Revenue	2,890,000	3,117,402	2,669,619
Conditional Grants			
- Student Employment			
- Other (Specify) SGI	-	53,025	43,089
Total Conditional Grants	-	53,025	43,089
<b>Total Operating</b>	<b>2,890,000</b>	<b>3,170,427</b>	<b>2,712,708</b>
<b>Capital</b>			
Conditional Grants			
- Gas Tax			
- Sask Water Corp.			
- Provincial Disaster Assistance			
- Other (Specify)			
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Utility Services</b>	<b>2,890,000</b>	<b>3,170,427</b>	<b>2,712,708</b>
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>5,497,371</b>	<b>6,043,639</b>	<b>11,200,841</b>
<b>SUMMARY</b>			
Total Other Segmented Revenue	4,678,039	5,323,298	6,993,558
Total Conditional Grants	422,200	445,644	474,844
Total Capital Grants and Contributions	397,132	274,698	3,732,438
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>5,497,371</b>	<b>6,043,639</b>	<b>11,200,841</b>

	2013 Budget	2013	2012
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	133,000	129,670	108,839
Wages and benefits	717,050	808,563	684,261
Professional/Contractual services	339,200	420,992	292,783
Utilities	33,600	48,166	32,380
Maintenance, materials and supplies	70,500	65,716	97,384
Grants and contributions - operating	25,000	8,717	47,286
- capital			
Amortization	41,000	42,012	38,702
Interest			
Allowance for uncollectibles	7,600	7,600	-
Other (Specify)	300	236	257
<b>Total Government Services</b>	<b>1,367,250</b>	<b>1,531,673</b>	<b>1,301,892</b>

**PROTECTIVE SERVICES****Police protection**

Wages and benefits	40,900	27,528	51,856
Professional/Contractual services	286,650	310,306	269,598
Utilities	3,600	2,848	3,396
Maintenance, material and supplies	27,900	23,547	17,409
Grants and contributions - operating			
- capital			
Other (Specify)			

**Fire protections**

Wages and benefits	207,500	248,960	194,267
Professional/Contractual services	35,600	30,230	27,442
Utilities	18,700	14,749	18,956
Maintenance, material and supplies	66,000	79,202	134,934
Grants and contributions - operating	4,000	3,750	3,750
- capital			
Amortization	31,000	48,735	22,954
Interest			
Other (Specify)			

<b>Total Protective Services</b>	<b>721,850</b>	<b>789,854</b>	<b>744,563</b>
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**TRANSPORTATION SERVICES**

Wages and benefits	577,100	561,771	448,145
Professional/Contractual Services	392,300	450,986	489,985
Utilities	140,200	140,422	132,831
Maintenance, materials, and supplies	276,300	272,706	260,262
Gravel	50,000	186,024	104,122
Grants and contributions - operating			
- capital			
Amortization	435,500	503,299	473,873
Interest			
Other (Specify)			

<b>Total Transportation Services</b>	<b>1,871,400</b>	<b>2,115,207</b>	<b>1,909,218</b>
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	2013 Budget	2013	2012
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Wages and benefits	275,100	298,751	279,244
Professional/Contractual services	258,100	438,413	222,704
Utilities	15,400	20,016	22,596
Maintenance, materials and supplies	89,500	73,872	52,150
Grants and contributions - operating			
o Waste disposal			
o Public Health			
- capital			
o Waste disposal			
o Public Health			
Amortization	62,500	46,429	64,513
Interest	-	-	1,586
Other (Specify)			
<b>Total Environmental and Public Health Services</b>	<b>700,600</b>	<b>877,481</b>	<b>642,792</b>

**PLANNING AND DEVELOPMENT SERVICES**

Wages and benefits	44,100	33,680	26,106
Professional/Contractual Services	162,200	131,917	85,846
Grants and contributions - operating	93,200	116,981	76,383
- capital			
Amortization			
Interest			
Other (Specify)			
<b>Total Planning and Development Services</b>	<b>299,500</b>	<b>282,578</b>	<b>188,335</b>

**RECREATION AND CULTURAL SERVICES**

Wages and benefits	629,600	604,105	589,118
Professional/Contractual services	208,100	202,056	164,350
Utilities	297,100	331,757	287,181
Maintenance, materials and supplies	345,900	487,912	486,573
Grants and contributions - operating	122,000	142,212	116,432
- capital			
Amortization	274,800	344,654	309,326
Interest	-	-	54,406
Allowance for uncollectibles			
Other (Specify)			
<b>Total Recreation and Cultural Services</b>	<b>1,877,500</b>	<b>2,112,697</b>	<b>2,007,387</b>

**As at December 31, 2013**

## UTILITY SERVICES

<b>TOTAL EXPENSES BY FUNCTION</b>	<b>8,817,125</b>	<b>9,825,799</b>	<b>8,717,715</b>
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Municipality of Town of Kindersley  
Consolidated Schedule of Segment Disclosure by Function  
As at December 31, 2013

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	40,478	126,528	28,862	428,876	510,670	600,706	3,113,798	4,849,919
Tangible Capital Asset Sales - Gain	700	45,000	14,300	9,045	-	16,944	3,604	89,593
Land Sales - Gain	283,220							283,220
Investment Income and Commissions	100,567							100,567
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	16,118	85,299	95,795	22,596	-	172,811	53,025	445,644
- Capital	264,775	-	-	-	-	9,923	-	274,698
<b>Total revenues</b>	<b>705,857</b>	<b>256,827</b>	<b>138,957</b>	<b>460,517</b>	<b>510,670</b>	<b>800,384</b>	<b>3,170,427</b>	<b>6,043,639</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	938,233	276,488	561,771	298,751	33,680	604,105	438,652	3,151,679
Professional/ Contractual Services	420,992	340,536	450,986	438,413	131,917	202,056	387,227	2,372,128
Utilities	48,166	17,597	140,422	20,016		331,757	154,563	712,521
Maintenance Materials and Supplies	65,716	102,749	458,729	73,872		487,912	465,374	1,654,353
Grants and Contributions	8,717	3,750	-	-	116,981	142,212	-	271,660
Amortization	42,012	48,735	503,299	46,429	-	344,654	310,449	1,295,578
Interest	-	-	-	-	-	-	360,045	360,045
Allowance for Uncollectibles	7,600	-	-	-	-	-	-	7,600
Other	236	-	-	-	-	-	-	236
<b>Total expenses</b>	<b>1,531,673</b>	<b>789,854</b>	<b>2,115,207</b>	<b>877,481</b>	<b>282,578</b>	<b>2,112,697</b>	<b>2,116,310</b>	<b>9,825,799</b>
<b>Surplus (Deficit) by Function</b>	<b>(825,816)</b>	<b>(533,027)</b>	<b>(1,976,250)</b>	<b>(416,964)</b>	<b>228,092</b>	<b>(1,312,312)</b>	<b>1,054,117</b>	<b>(3,782,160)</b>

Taxation and other unconditional revenue (Schedule 1)

6,867,141

**Net Surplus (Deficit)**

**3,084,981**

Municipality of Town of Kindersley  
Consolidated Schedule of Segment Disclosure by Function  
As at December 31, 2012

Schedule 5  
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	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	46,492	-	24,612	436,118	424,393	521,272	2,688,461	4,266,760
Tangible Capital Asset Sales - Gain	-	8,328	-	-	-	2,428,919	(18,842)	2,418,406
Land Sales - Gain	217,789	-	-	-	-	-	-	217,789
Investment Income and Commissions	90,603	-	-	-	-	-	-	90,603
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	34,570	88,700	93,700	24,263	-	190,522	43,089	474,844
- Capital	3,647,749	-	-	-	-	84,689	-	3,732,438
<b>Total revenues</b>	<b>4,037,204</b>	<b>222,441</b>	<b>118,312</b>	<b>460,381</b>	<b>424,393</b>	<b>3,225,403</b>	<b>2,712,708</b>	<b>11,200,841</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	793,100	246,124	448,145	279,244	26,106	589,118	417,988	2,799,824
Professional/ Contractual Services	292,783	297,041	489,985	222,704	85,846	164,350	266,461	1,819,171
Utilities	32,380	22,352	132,831	22,596	-	287,181	196,360	693,700
Maintenance Materials and Supplies	97,384	152,343	364,384	52,150	76,383	486,573	354,628	1,507,462
Grants and Contributions	47,286	3,750	-	-	-	116,432	-	243,850
Amortization	38,702	22,954	473,873	64,513	-	309,326	294,629	1,203,996
Interest	-	-	-	1,586	-	54,406	393,462	449,455
Allowance for Uncollectibles	-	-	-	-	-	-	-	-
Other	257	-	-	-	-	-	-	257
<b>Total expenses</b>	<b>1,301,892</b>	<b>744,563</b>	<b>1,909,218</b>	<b>642,792</b>	<b>188,335</b>	<b>2,007,387</b>	<b>1,923,528</b>	<b>8,717,715</b>
<b>Surplus (Deficit) by Function</b>	<b>2,735,311</b>	<b>(522,122)</b>	<b>(1,790,906)</b>	<b>(182,412)</b>	<b>236,058</b>	<b>1,218,017</b>	<b>789,180</b>	<b>2,483,126</b>

Taxation and other unconditional revenue (Schedule 1)

6,598,954

**Net Surplus (Deficit)**

**9,082,080**

Municipality of Town of Kindersley  
Consolidated Schedule of Tangible Capital Assets by Object  
As at December 31, 2013

Schedule 6

2013

2012

	General Assets					Infrastructure Assets		General/Infrastructure Assets Under Construction		Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear assets				
<b>Asset cost</b>										
Opening Asset costs	1,551,901	1,834,892	6,807,512	1,426,725	4,803,144	24,064,605		12,228,647		52,717,425
Additions during the year	-	9,795,218	11,873,427	190,379	514,006	4,292,817		576,684		27,242,532
Disposals and write-downs during the year	-	-	-	-	(257,048)	3,604		-		(253,444)
Transfers (from) assets under construction	-	-	-	-	-	-		(12,301,327)		(12,301,327)
<b>Closing Asset Costs</b>	<b>1,551,901</b>	<b>11,630,110</b>	<b>18,680,939</b>	<b>1,617,104</b>	<b>5,060,102</b>	<b>28,361,026</b>		<b>504,004</b>		<b>67,405,186</b>
<b>Accumulated Amortization Cost</b>										
Opening Accumulated Amortization Costs	-	268,377	1,778,811	491,886	2,047,340	9,963,034		-		14,549,449
Add: Amortization taken	-	54,046	201,458	87,914	409,566	542,593		-		1,295,578
Less: Accumulated amortization on disposals	-	-	-	-	(194,427)	-		-		(194,427)
<b>Closing Accumulated Amortization Costs</b>	<b>-</b>	<b>322,423</b>	<b>1,980,270</b>	<b>579,801</b>	<b>2,262,479</b>	<b>10,505,627</b>		<b>-</b>		<b>15,650,600</b>
<b>Net Book Value</b>	<b>1,551,901</b>	<b>11,307,688</b>	<b>16,700,669</b>	<b>1,037,303</b>	<b>2,797,623</b>	<b>17,855,398</b>		<b>504,004</b>		<b>51,754,586</b>
1. Total contributed/donated assets received in 2013:	\$	-								38,167,977
2. List of assets recognized at nominal value in 2013 are:										
- Infrastructure Assets	\$	-								
- Vehicles	\$	-								
- Machinery and Equipment	\$	-								
3. Amount of interest capitalized in 20__	\$	-								

Municipality of Town of Kindersley  
Consolidated Schedule of Tangible Capital Assets by Function  
As at December 31, 2013

Schedule 7

	2013						2012	
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Total
<b>Assets</b>								
Asset cost								
Opening Asset costs	1,413,992	1,037,520	14,818,030	844,227	93,379	20,348,838	14,161,439	52,717,425
Additions during the year	-	15,689	2,847,866	206,115	31,600	12,532,840	11,608,421	27,242,532
Disposals and write-downs during the year	-	-	-	(152,388)	-	(11,939,286)	(463,097)	(12,554,771)
<b>Closing Asset Costs</b>	<b>1,413,992</b>	<b>1,053,209</b>	<b>17,665,896</b>	<b>897,954</b>	<b>124,979</b>	<b>20,942,392</b>	<b>25,306,764</b>	<b>67,405,186</b>
<b>Amortization</b>								
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	311,380	250,708	7,563,030	444,367	30,583	2,300,787	3,648,594	14,549,449
Add: Amortization taken	48,633	48,735	496,678	39,082	7,348	344,654	310,449	1,295,578
Less: Accumulated amortization on disposals	-	-	-	(91,433)	-	(102,994)	-	(194,427)
<b>Closing Accumulated Amortization Costs</b>	<b>360,012</b>	<b>299,442</b>	<b>8,059,708</b>	<b>392,016</b>	<b>37,930</b>	<b>2,542,447</b>	<b>3,959,043</b>	<b>15,650,600</b>
<b>Net Book Value</b>	<b>1,053,979</b>	<b>753,767</b>	<b>9,606,188</b>	<b>505,938</b>	<b>87,049</b>	<b>18,399,945</b>	<b>21,347,721</b>	<b>51,754,586</b>
								<b>38,167,977</b>
								<b>14,549,449</b>
								<b>1,203,996</b>
								<b>(176,776)</b>
								<b>52,717,425</b>

**Municipality of Town of Kindersley**  
**Consolidated Schedule of Accumulated Surplus**  
**As at December 31, 2013**

Schedule 8

	2012	Changes	2013
<b>UNAPPROPRIATED SURPLUS</b>	<b>13,809,372</b>	<b>(11,420,128)</b>	<b>2,389,244</b>

**APPROPRIATED RESERVES**

Machinery and Equipment	278,416	183,000	461,416
Public Reserve	55,679	958	56,637
Capital Trust	774,253	(46,453)	727,800
Utility	1,399,074	(488,432)	910,642
Other (Specify)	3,088,231	556,896	3,645,127
<b>Total Appropriated</b>	<b>5,595,653</b>	<b>205,969</b>	<b>5,801,621</b>

**ORGANIZED HAMLETS (add lines if required)**

Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
Organized Hamlet of (Name)			-
<b>Total Organized Hamlets</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NET INVESTMENT IN TANGIBLE CAPITAL ASSETS**

Tangible capital assets (Schedule 6)	38,167,977	13,586,610	51,754,586
Less: Related debt	(11,551,114)	712,529	(10,838,585)
<b>Net Investment in Tangible Capital Assets</b>	<b>26,616,863</b>	<b>14,299,139</b>	<b>40,916,002</b>

<b>Total Accumulated Surplus</b>	<b>46,021,887</b>	<b>3,084,980</b>	<b>49,106,867</b>
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Municipality of Town of Kindersley  
Schedule of Mill Rates and Assessments  
As at December 31, 2013

Schedule 9

	PROPERTY CLASS					
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	454,685	198,924,998	19,315,160		110,293,890	
Regional Park Assessment						
Total Assessment						328,988,733
Mill Rate Factor(s)	1.4160	0.8230	0.8230		1.3463	
Total Base/Minimum Tax (generated for each property class)	-	871,800	88,160		325,440	1,285,400
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	8,821	2,814,862	269,151		2,230,887	5,323,721

MILL RATES: MILLS

Average Municipal*	16.18208
Average School*	6.1163
Potash Mill Rate	
Uniform Municipal Mill Rate	13.7000

\* Average Mill Rates (multiple the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority.

**Municipality of Town of Kindersley**  
**Schedule of Council Remuneration**  
**As at December 31, 2013**

Schedule 10

Position	Name	Remuneration	Reimbursed Costs	Total
Reeve/Mayor	John Enns-Wind	26,400	4,715	31,115
Councillor/Alderman	Vaughn Biberdorf	10,200	1,015	11,215
Councillor/Alderman	Sheldon Goodheart	8,794	-	8,794
Councillor/Alderman	Lorne Janzen	10,200	1,450	11,650
Councillor/Alderman	Robert McTaggart	10,200		10,200
Councillor/Alderman	Curtis Sackville	10,200		10,200
Councillor/Alderman	James Schmidt	10,200	870	11,070
				-
				-
				-
				-
Total		86,194	8,050	94,244

**CHARTERED ACCOUNTANTS**

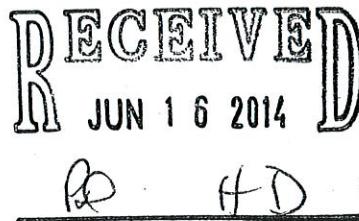
R.F. Perkins, B.Comm., F.C.A.\*  
R.D. Hauta, B.Comm., C.A.\*  
M.W. Close, B.Comm., C.A.\*  
A.R. Bertoia, B.Comm., C.A.\*

Associates:  
G.A. Close, C.A.\*  
W.H. Massey, B.Comm., CMA

117 - 1st Avenue West  
KINDERSLEY, SASK. S0L 1S0  
P.O. Box 1507

June 11, 2014

MR. BERNIE MORTON  
TOWN OF KINDERSLEY  
BOX 1269  
KINDERSLEY SK S0L 1S0



Dear Mr. Morton:

Please find enclosed twelve copies of the audited financial statements and supporting schedules of the Town of Kindersley's year-ended December 31, 2013. These are the final and can be distributed to Council.

Should Council or yourself have any questions or comments, please do not hesitate to contact this office.

Yours very truly,

A handwritten signature in black ink, appearing to read "A. Bertoia".

Amanda Bertoia  
Chartered Accountant

AB:cg  
Encls.

**CHARTERED ACCOUNTANTS**

R.F. Perkins, B.Comm., F.C.A.\*  
R.D. Hauta, B.Comm., C.A.\*  
M.W. Close, B.Comm., C.A.\*  
A.R. Bertoia, B.Comm., C.A.\*

Associates:  
G.A. Close, C.A.\*  
W.H. Massey, B.Comm., CMA

117 - 1st Avenue West  
KINDERSLEY, SASK. S0L 1S0  
P.O. Box 1507

June 11, 2014

THE AUDIT COMMITTEE  
TOWN OF KINDERSLEY  
BOX 1269  
KINDERSLEY SK S0L 1S0

Dear Audit Committee Members:

We have been engaged to audit the financial statements of the Town of Kindersley for the year ending December 31, 2013.

Canadian generally accepted auditing standards require that we communicate at least annually with you regarding all relationships between the Town and us that, in our professional judgment, may reasonably be thought to bear on our independence. These standards also require that we communicate to you the total fees charged to the Town for non-audit services during the year.

In determining which relationship to report, these standards require us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute/order and applicable legislation, covering such matters as:

- a) holding a financial interest, either directly or indirectly, in a client;
- b) holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- c) personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- d) economic dependence on a client; and
- e) provision of services in addition to the audit engagement.

We have prepared the following comments to facilitate our discussion with you regarding independence matters.

.../2

Town of Kindersley

Page 2

June 11, 2014

We are not aware of any relationships between the Town and us that, in our professional judgment, may reasonably be thought to bear on our independence, that have occurred from June 14, 2013 to June 11, 2014.

GAAS requires that we confirm our independence to the audit committee. However, since the Rules of Professional Conduct of the Institute of Chartered Accountants of Saskatchewan deal with the concept of independence in terms of objectivity, our confirmation is to be made in that context. Accordingly, we hereby confirm that we are objective with respect to the Town within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Saskatchewan as of June 11, 2014.

This report is intended solely for the use of the board of directors, management and others within the Town and should not be used for any other purposes.

If you have any questions with regard to this letter, please discuss these with me at our next meeting.

Yours very truly,

A handwritten signature in cursive script, appearing to read 'A. Bertoia'.

Amanda Bertoia  
Chartered Accountant

AB:cg