

Shoemaker, Viney & Friesen

CHARTERED ACCOUNTANTS

John S. Shoemaker Professional Corporation

Tina J. Viney Professional Corporation

Timothy J. Friesen Professional Corporation

INDEPENDENT AUDITOR'S REPORT

To the Members of Town of Fox Creek

We have audited the accompanying financial statements of Town of Fox Creek, which comprise the statement of financial position as at December 31, 2017 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 Town of Fox Creek as at December 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Westlock, Alberta
March 26, 2018



CHARTERED ACCOUNTANTS

TOWN OF FOX CREEK
Statement of Financial Position
December 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and temporary investments <i>(Note 2)</i>	\$ 16,294,388	\$ 13,949,738
Taxes and grants in place of taxes <i>(Note 3)</i>	537,267	613,551
Trade and other receivables <i>(Note 4)</i>	2,797,545	7,058,776
Land for resale inventory	1,020,056	1,010,533
Other inventory for resale	95,175	-
	<u>20,744,431</u>	<u>22,632,598</u>
LIABILITIES		
Accounts payable and accrued liabilities	4,952,573	2,737,415
Deferred revenue <i>(Note 5)</i>	3,410,557	917,687
Long Term Debt <i>(Note 6)</i>	1,019,764	1,134,230
	<u>9,382,894</u>	<u>4,789,332</u>
NET FINANCIAL ASSETS	<u>11,361,537</u>	<u>17,843,266</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 4)	68,594,100	44,738,616
Prepaid expenses	19,331	-
	<u>68,613,431</u>	<u>44,738,616</u>
ACCUMULATED SURPLUS (Note 8)	<u>\$ 79,974,968</u>	<u>\$ 62,581,882</u>
CONTINGENCIES & COMMITMENTS (Notes 12, 14)		

TOWN OF FOX CREEK
Statement of Operations
Year Ended December 31, 2017

	Budget (unaudited)	2017	2016
REVENUE			
Net municipal taxes <i>(Schedule 2)</i>	\$ 3,705,129	\$ 3,784,277	\$ 3,860,421
Government transfers for operating <i>(Schedule 3)</i>	3,437,840	3,514,054	3,451,921
User fees and sales of goods	1,528,050	1,811,739	1,620,263
Rental revenue	942,900	1,312,128	1,142,970
Franchise fees	174,000	140,476	204,106
Penalties and costs of taxes	86,500	137,516	124,661
Investment income	5,000	115,257	122,285
Licenses, permits and fines	140,080	218,554	269,838
Other	109,804	139,060	198,458
Total Revenue	10,129,303	11,173,061	10,994,923
EXPENSES			
Administration	1,330,310	1,182,110	1,151,123
Amortization of tangible capital assets	895,158	947,177	895,158
Culture and other	155,600	127,180	141,364
Family and community support	1,229,771	1,108,075	1,177,555
Land use planning, zoning and development	801,336	636,218	531,364
Legislative	237,401	345,614	272,163
Parks and recreation	690,465	571,851	731,630
Protective and health services	703,657	599,249	498,072
Roads, streets, walks and lighting	1,587,617	1,724,377	1,620,546
Water supply and distribution	507,170	586,499	542,812
Waste management	389,067	522,666	500,646
Wastewater treatment and disposal	292,770	274,180	319,224
Total Expenses	8,820,322	8,625,196	8,381,657
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	1,308,981	2,547,865	2,613,266
CAPITAL ITEMS			
Government transfer for capital <i>(Schedule 3)</i>	4,728,108	1,750,820	3,350,296
Other Local Groups <i>(Schedule 3)</i>	100,000	159,247	-
Local government <i>(Schedule 3)</i>	20,927,029	12,935,154	8,046,786
EXCESS OF REVENUE OVER EXPENSES	27,064,118	17,393,086	14,010,348
ACCUMULATED SURPLUS - BEGINNING OF YEAR	62,581,882	62,581,882	48,571,534
ACCUMULATED SURPLUS - END OF YEAR	\$ 89,646,000	\$ 79,974,968	\$ 62,581,882