

## Management's Responsibility

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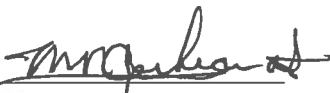
To the Ratepayers of Town of Hanley

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgements and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated 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 management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

Vantage, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated 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 management to discuss their audit findings.

  
Mayor

  
Administrator

April 8, 2019

**Town of Hanley**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2018**

Statement 1

	<b>2018</b>	2017
<b>FINANCIAL ASSETS</b>		
Cash and Temporary Investments (Note 2)	810,220	691,786
Taxes Receivable - Municipal (Note 3)	22,122	22,768
Other Accounts Receivable (Note 4)	139,012	131,540
Land for Resale (Note 5)		
Long-Term Investments (Note 6)	990,000	1,020,000
Debt Charges Recoverable		
Other		
<b>Total Financial Assets</b>	<b>1,961,354</b>	<b>1,866,094</b>
<b>LIABILITIES</b>		
Bank Indebtedness		
Accounts Payable	173,506	57,407
Accrued Liabilities Payable	7,243	8,145
Deposits	41,748	40,444
Deferred Revenue (Note 7)	333,652	311,608
Accrued Landfill Costs		
Liability for Contaminated Sites		
Other Liabilities		
Long-Term Debt (Note 8)	635,351	714,513
Lease Obligations		
<b>Total Liabilities</b>	<b>1,191,500</b>	<b>1,132,117</b>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<b>769,854</b>	<b>733,977</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Schedule 6, 7)	1,666,154	1,612,333
Prepayments and Deferred Charges	7,034	7,221
Stock and Supplies	19,558	17,890
Other		
<b>Total Non-Financial Assets</b>	<b>1,692,746</b>	<b>1,637,444</b>
<b>ACCUMULATED SURPLUS (DEFICIT) (Schedule 8)</b>	<b>2,462,600</b>	<b>2,371,421</b>

Town of Hanley  
 Consolidated Statement of Operations  
 For the year ended December 31, 2018

Statement 2

	2018 Budget	2018	2017
<b>REVENUES</b>			
Taxes and Other Unconditional Revenue (Schedule 1)	443,957	447,212	417,597
Fees and Charges (Schedule 4, 5)	541,179	516,814	517,099
Conditional Grants (Schedule 4, 5)	7,316	7,043	3,869
Tangible Capital Asset Sales - Gain (Schedule 4, 5)	3,000	(2,402)	112,426
Land Sales - Gain (Schedule 4, 5)	2,000	11,772	2,000
Investment Income and Commissions (Schedule 4, 5)	1,800	3,332	2,054
Other Revenues (Schedule 4, 5)	3,000	18,227	2,727
<b>Total Revenues</b>	<b>1,002,252</b>	<b>1,001,998</b>	<b>1,057,772</b>
<b>EXPENSES</b>			
General Government Services (Schedule 3)	197,657	186,499	193,189
Protective Services (Schedule 3)	24,130	24,422	24,387
Transportation Services (Schedule 3)	223,615	191,189	218,864
Environmental and Public Health Services (Schedule 3)	85,546	94,542	85,766
Planning and Development Services (Schedule 3)	2,440	2,162	2,544
Recreation and Cultural Services (Schedule 3)	15,235	41,827	35,248
Utility Services (Schedule 3)	448,663	403,673	369,727
<b>Total Expenses</b>	<b>997,286</b>	<b>944,314</b>	<b>929,725</b>
<b>Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions</b>	<b>4,966</b>	<b>57,684</b>	<b>128,047</b>
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	7,600	33,495	111,545
<b>Surplus (Deficit) of Revenues over Expenses</b>	<b>12,566</b>	<b>91,179</b>	<b>239,592</b>
<b>Accumulated Surplus (Deficit), Beginning of Year</b>	<b>2,371,421</b>	<b>2,371,421</b>	<b>2,131,829</b>
<b>Accumulated Surplus (Deficit), End of Year</b>	<b>2,383,987</b>	<b>2,462,600</b>	<b>2,371,421</b>

**Town of Hanley**  
**Consolidated Statement of Change in Net Financial Assets**  
**For the year ended December 31, 2018**

Statement 3

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Surplus (Deficit)</b>	<b>12,566</b>	<b>91,179</b>	<b>239,592</b>
(Acquisition) of tangible capital assets		(153,773)	(270,462)
Amortization of tangible capital assets		92,550	80,996
Proceeds on disposal of tangible capital assets		5,000	118,824
Loss (gain) on the disposal of tangible capital assets		2,402	(112,426)
<b>Surplus (Deficit) of capital expenses over expenditures</b>		<b>(53,821)</b>	<b>(183,068)</b>
(Acquisition) of supplies inventories		(1,668)	(895)
(Acquisition) of prepaid expense			
Consumption of supplies inventory			
Use of prepaid expense		187	11,589
<b>Surplus (Deficit) of expenses of other non-financial over expenditures</b>		<b>(1,481)</b>	<b>10,694</b>
<b>Increase/Decrease in Net Financial Assets</b>	<b>12,566</b>	<b>35,877</b>	<b>67,218</b>
<b>Net Financial Assets (Debt) - Beginning of Year</b>	<b>733,977</b>	<b>733,977</b>	<b>666,759</b>
<b>Net Financial Assets (Debt) - End of Year</b>	<b>746,543</b>	<b>769,854</b>	<b>733,977</b>