

**Annual Consolidated Financial Statements
And Supporting Schedules
For The
Town of Marshall
For the year ended December 31, 2017**



INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Town of Marshall

We have audited the accompanying financial statements of the Town of Marshall, which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statements of operations and accumulated surplus, change in net financial assets, and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Managements' Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have 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 consolidated financial statements are free of 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 auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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, these consolidated financial statements present fairly, in all material respects, the financial position of the Town of Marshall as at December 31, 2017 and the results of its operations, the changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

METRIX GROUP LLP

Chartered Professional Accountants

May 8, 2018
Lloydminster, Alberta



Management's Responsibility

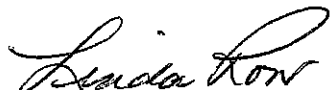
To the Ratepayers of the Town of Marshall:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

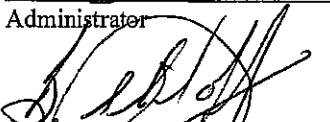
In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial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

Metrix Group LLP, an independent firm of Chartered Professional Accountants, is appointed by 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 administration to discuss their audit findings.



Administrator



Mayor


May 8, 2018

Town of Marshall
 Consolidated Statement of Financial Position
 As at December 31, 2017

Statement 1

	2017	2016
ASSETS		
Financial Assets		
Cash and Temporary Investments (Note 2)	\$ 340,984	\$ 318,637
Taxes and Grants in Lieu Receivable (Note 3)	44,162	58,350
Other Accounts Receivable (Note 4)	39,583	11,169
Land for Resale (Note 5)	6,618	
Long-term Investments (Note 6)	14,389	13,668
Total Financial Assets	445,736	401,824
LIABILITIES		
Bank Indebtedness (Note 7)		
Accounts Payable	45,778	35,634
Accrued Liabilities Payable	11,675	13,327
Deposits	867	340
Deferred Revenue		
Accrued Landfill Costs		
Other Liabilities		
Long-term Debt (Note 9)	143,274	201,526
Lease Obligations		
Total Liabilities	201,594	250,827
NET FINANCIAL ASSETS (DEBT)	244,142	150,997
Non-Financial Assets		
Tangible Capital Assets (Schedule 6, 7)	2,205,058	2,272,801
Prepayments and Deferred Charges		16,052
Stock and Supplies	14,994	22,112
Other		
Total Non-Financial Assets	2,220,052	2,310,965
Accumulated Surplus (Deficit) (Schedule 8)	2,464,194	2,461,962

Approved of on behalf of the Mayor and Council



 Mayor



 Councillor

Town of Marshall
Consolidated Statement of Operations
For the year ended December 31, 2017

Statement 2

	2017 Budget	2017	2016
Revenues			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 450,443	\$ 450,610	\$ 454,196
Fees and Charges (Schedule 4, 5)	255,250	260,766	258,705
Conditional Grants (Schedule 4, 5)	25,100	23,353	25,015
Tangible Capital Asset Sales - Gain (Schedule 4, 5)			
Land Sales - Gain (Schedule 4, 5)			
Investment Income and Commissions (Schedule 4, 5)	3,390	4,875	7,616
Other Revenues (Schedule 4, 5)	6,500	8,536	4,881
Total Revenues	740,683	748,140	750,413
Expenses			
General Government Services (Schedule 3)	256,972	255,893	246,184
Protective Services (Schedule 3)	67,232	46,465	51,482
Transportation Services (Schedule 3)	185,831	176,661	176,176
Environmental and Public Health Services (Schedule 3)	80,292	82,733	75,666
Planning and Development Services (Schedule 3)	5,800	6,596	1,360
Recreation and Cultural Services (Schedule 3)	45,442	55,582	60,880
Utility Services (Schedule 3)	132,205	158,093	166,019
Total Expenses	773,774	782,023	777,767
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(33,091)	(33,883)	(27,354)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	34,571	36,115	34,571
Surplus (Deficit) of Revenues over Expenses	\$ 1,480	2,232	7,217
Accumulated Surplus (Deficit), Beginning of Year		2,461,962	2,454,745
Accumulated Surplus (Deficit), End of Year		\$ 2,464,194	\$ 2,461,962

Town of Marshall
Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2017

Statement 3

	2017 Budget	2017	2016
Surplus (Deficit)	\$ 1,480	\$ 2,232	\$ 7,217
(Acquisition) of tangible capital assets		(61,970)	(15,507)
Amortization of tangible capital assets	43,100	129,713	129,505
Proceeds on disposal of tangible capital assets			
Loss (gain) on the disposal of tangible capital assets			
Surplus (Deficit) of capital revenue over expenditures	43,100	67,743	113,998
(Acquisition) of supplies inventories		7,118	1,956
(Acquisition) of prepaid expense		16,052	(656)
Consumption of supplies inventories			
Use of prepaid expense			
Surplus (Deficit) of revenue of other non-financial over expenditures		23,170	1,300
Increase (Decrease) in Net Financial Assets	\$ 44,580	93,145	122,515
Net Financial Assets - Beginning of Year		150,997	28,482
Net Financial Assets - End of Year		\$ 244,142	\$ 150,997

Town of Marshall
 Consolidated Statement of Cash Flow
 For the year ended December 31, 2017

Statement 4

Cash provided by (used for) the following activities	2017	2016
Operating:		
Surplus (Deficit)	\$ 2,232	\$ 7,217
Amortization	129,713	129,505
Loss (gain) on disposal of tangible capital assets	-	0
	<u>131,945</u>	<u>136,722</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	14,188	4,742
Other Receivables	(28,414)	11,233
Land for Resale	(6,618)	0
Other Financial Assets		
Accounts and Accrued Liabilities Payable	8,492	(3,128)
Deposits	527	340
Deferred Revenue		0
Other Liabilities		
Stock and Supplies for Use	7,118	1,956
Prepayments and Deferred Charges	16,052	(656)
Other (Restricted Cash)		0
Net cash from (used for) operations	143,290	151,209
Capital:		
Acquisition of Tangible Capital Assets	(61,970)	(15,507)
Proceeds From the Disposal of Tangible Capital Assets	0	0
Other Capital		
Net cash from (used for) capital	(61,970)	(15,507)
Investing:		
Long-term Investments	(721)	(771)
Other Investments		
Net cash from (used for) investing	(721)	(771)
Financing:		
Long-term Debt Issued		
Long-term Debt Repaid	(58,252)	(54,930)
Other Financing		
Net cash from (used for) financing	(58,252)	(54,930)
Increase (Decrease) in cash resources	22,347	80,001
Cash and Temporary Investments - Beginning of Year	318,637	238,636
Cash and Temporary Investments - End of Year	\$ 340,984	\$ 318,637