

**Village of Standard**  
**Consolidated Financial Statements**  
**Year Ended December 31, 2022**

# Village of Standard

December 31, 2022

## CONTENTS

	Page
Management's Responsibility for Financial Reporting	1
Independent Auditor's Report	2 - 3
<b>FINANCIAL STATEMENTS</b>	
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Change in Net Financial Assets	6
Consolidated Statement of Cash Flows	7
Schedule 1 - Schedule of Changes in Accumulated Surplus	8
Schedule 2 - Schedule of Tangible Capital Assets	9
Schedule 3 - Schedule of Property and Other Taxes	10
Schedule 4 - Schedule of Government Transfers	11
Schedule 5 - Schedule of Consolidated Expenses by Object	12
Schedule 6 - Schedule of Segmented Disclosure	13
Notes to Consolidated Financial Statements	14 - 22

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management of the Village of Standard is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within this Financial Report. Management believes that the consolidated financial statements present fairly the Village's financial position as at December 31, 2022 and the results of its operations for the year then ended.

The consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

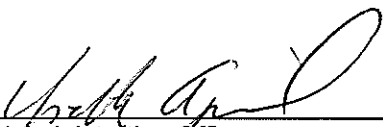
The consolidated financial statements include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly in all material respects.

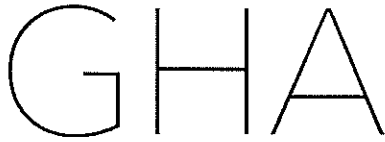
In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized and assets are properly accounted for and safeguarded.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the consolidated financial statements.

Village Council meets annually with management and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. Council is also responsible for the engagement or re-appointment of the external auditors. The Village Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Gregory, Harriman & Associates LLP, Chartered Professional Accountants, independent external auditors appointed by the Village. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Village's consolidated financial statements.

  
\_\_\_\_\_  
Chief Administrative Officer  
April 12, 2023



GREGORY  
HARRIMAN  
& ASSOCIATES LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Council:

#### *Opinion*

We have audited the consolidated financial statements of Village of Standard (the Village), which comprise the consolidated statement of financial position as at December 31, 2022, and the results of its operations, changes in its net financial assets and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Village of Standard as at December 31, 2022, the results of its operations, change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Responsibilities of Management and Those Charged with Governance 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.

In preparing the consolidated financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village's financial reporting process.

#### *Auditor's Responsibility for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


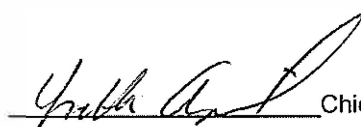
*Gregory, Harriman & Associates LLP*

Strathmore, Alberta  
April 12, 2023

Gregory, Harriman & Associates LLP  
Chartered Professional Accountants

**Village of Standard  
Consolidated Statement of Financial Position  
As at December 31, 2022**

	2022	2021
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments <i>(Note 2)</i>	\$ 850,867	\$ 796,239
Taxes and grants in place of taxes receivables <i>(Note 3)</i>	71,071	50,350
Trade and other receivables <i>(Note 4)</i>	201,970	580,569
Other financial assets <i>(Note 5)</i>	260,953	260,953
Land inventory held for resale	641,362	611,361
	2,026,223	2,299,472
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	224,592	176,208
Deferred revenue <i>(Note 6)</i>	20,803	261,303
Due to Shareholders of Wheatland Regional Corporation <i>(Note 8)</i>	150,692	169,291
Long term debt and debentures <i>(Note 9)</i>	507,416	526,612
	903,503	1,133,414
<b>NET FINANCIAL ASSETS</b>	1,122,720	1,166,058
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets <i>(Schedule 2)</i>	10,393,213	7,294,798
	10,393,213	7,294,798
<b>ACCUMULATED SURPLUS <i>(Note 11)</i> <i>(Schedule 1)</i></b>	\$ 11,515,933	\$ 8,460,856
<b>CONTINGENCIES <i>(Note 15)</i></b>		
<b>COMMITMENTS <i>(Note 16)</i></b>		

Approved by:  \_ Mayor  Chief Administrative Officer

**Village of Standard**  
**Consolidated Statement of Operations**  
**For the Year Ended December 31, 2022**

	<i>Budget (Unaudited) (Note 21)</i>	<b>2022</b>	<b>2021</b>
<b>REVENUE</b>			
Net municipal property taxes (Schedule 3)	\$ 463,642	\$ 462,904	\$ 454,681
Sale of goods and user charges	409,803	493,015	410,012
Government transfers (Schedule 4)	52,110	53,640	88,741
Fines	600	600	-
Franchise and concession contracts	-	3,782	9,658
Licenses and permits	1,100	930	1,315
Investment income	5,000	18,493	8,642
Penalties and costs on taxes	10,000	8,831	15,826
Rentals	8,327	8,952	8,979
Other revenue	276,155	260,843	2,787
<b>Total Revenue</b>	<u>1,226,737</u>	<u>1,311,990</u>	<u>1,000,641</u>
<b>EXPENSES (Schedule 5)</b>			
Legislative	29,542	24,229	21,644
Administration	163,816	158,127	277,682
Fire	40,605	195,635	79,785
Disaster services and ambulance	3,584	5,261	10,965
Policing services	10,235	10,235	6,820
Common services	-	2,228	2,228
Roads, streets, walks and lighting	133,904	248,695	230,775
Water and wastewater	403,899	610,089	490,116
Waste management	39,041	39,422	41,333
Public health and cemetery	2,652	3,070	10,687
Subdivision land development	364,790	182,097	37,116
Recreation, parks and culture	66,587	97,282	81,782
<b>Total Expenses</b>	<u>1,258,655</u>	<u>1,576,370</u>	<u>1,290,933</u>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES - BEFORE OTHER</b>	<u>(31,918)</u>	<u>(264,380)</u>	<u>(290,292)</u>
<b>OTHER</b>			
Contributions from others for capital	-	3,191,041	1
Government transfers for capital (Schedule 4)	-	128,416	522,583
	<u>-</u>	<u>3,319,457</u>	<u>522,584</u>
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES</b>	<u>(31,918)</u>	<u>3,055,077</u>	<u>232,292</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR (Note 11)</b>	<u>8,460,856</u>	<u>8,460,856</u>	<u>8,228,564</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>\$ 8,428,938</u>	<u>\$ 11,515,933</u>	<u>\$ 8,460,856</u>

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

**Village of Standard**  
**Consolidated Statement of Change in Net Financial Assets**  
**For the Year Ended December 31, 2022**

	<i>Budget (Unaudited) (Note 21)</i>	<b>2022</b>	2021
<b>EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES</b>	<b>\$ (31,918)</b>	<b>\$ 3,055,077</b>	<b>\$ 232,292</b>
Acquisition of tangible capital assets (Schedule 2)	-	<b>(3,447,904)</b>	(708,395)
Amortization of tangible capital assets (Schedule 2)	-	<b>349,489</b>	254,064
	-	<b>(3,098,415)</b>	(454,331)
For the Year Ended December 31, 2022			
Net change in prepaid expenses	-	-	(2,816)
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(31,918)</b>	<b>(43,338)</b>	<b>(219,223)</b>
<b>NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR</b>	<b>1,166,058</b>	<b>1,166,058</b>	<b>1,385,281</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 1,134,140</b>	<b>\$ 1,122,720</b>	<b>\$ 1,166,058</b>



**Village of Standard  
Consolidated Statement of Cash Flows  
For the Year Ended December 31, 2022**

	2022	2021
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>Operating</b>		
Excess (shortfall) of revenue over expenses	\$ 3,055,077	\$ 232,292
Non-cash items included in excess (shortfall) of revenue over expenses:		
Amortization of tangible capital assets	349,489	254,064
Non-cash charges to operations (net change):		
Decrease (increase) in taxes and grants in place of taxes receivables	(20,721)	44,579
Decrease (increase) in trade and other receivables	378,599	(415,729)
Decrease (increase) in inventory	(30,001)	(24,919)
Increase (decrease) in accounts payable and accrued liabilities	48,384	42,266
Increase (decrease) in deferred revenue	(240,500)	2,608
Increase (decrease) in shareholder loan	(18,599)	1,672
Increase (decrease) in prepaid expense	-	2,816
Net cash provided by operating transactions	<b>3,521,728</b>	<b>139,649</b>
<b>Capital</b>		
Acquisition of tangible capital assets	(3,447,904)	(708,395)
Cash applied to capital transactions	<b>(3,447,904)</b>	<b>(708,395)</b>
<b>Investing</b>		
Decrease (increase) in restricted cash and investments	240,500	(2,608)
Decrease (increase) in other financial assets	-	2,177
Cash provided by (applied to) investing transactions	<b>240,500</b>	<b>(431)</b>
<b>Financing</b>		
Long term debt and debenture repaid	(19,196)	(18,249)
Cash applied to financing transactions	<b>(19,196)</b>	<b>(18,249)</b>
Change in cash and cash equivalents during the year	295,128	(587,426)
Net Cash and Cash Equivalents, beginning of year	<b>534,936</b>	<b>1,122,362</b>
Net Cash and Cash Equivalents, end of year	<b>\$ 830,064</b>	<b>\$ 534,936</b>
Cash position represented by:		
Cash on hand and in investments (Note 2)	\$ 850,867	\$ 796,239
Less: restricted portion of cash (Notes 2, 6)	(20,803)	(261,303)
	<b>\$ 830,064</b>	<b>\$ 534,936</b>

**Village of Standard**  
**Schedule of Changes in Accumulated Surplus**  
**For the Year Ended December 31, 2022**  
**(Schedule 1)**

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2022	2021
<b>BALANCE, BEGINNING OF YEAR (Note 11)</b>	\$ 1,360,570	\$ 332,100	\$ 6,768,186	<b>\$ 8,460,856</b>	<b>\$ 8,228,564</b>
Excess (shortfall) of revenue over expenses	3,055,077	-	-	<b>3,055,077</b>	232,292
Restricted funds used for operations	157,790	(157,790)	-	-	-
Current year funds used for tangible capital assets	(3,447,904)	-	3,447,904	-	-
Annual amortization expense	349,489	-	(349,489)	-	-
Capital long term debt repaid	(19,196)	-	19,196	-	-
Change in accumulated surplus	95,256	(157,790)	3,117,611	<b>3,055,077</b>	232,292
<b>BALANCE, END OF YEAR</b>	<b>\$ 1,455,826</b>	<b>\$ 174,310</b>	<b>\$ 9,885,797</b>	<b>\$ 11,515,933</b>	<b>\$ 8,460,856</b>

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

**Village of Standard**  
**Schedule of Tangible Capital Assets**  
**For the Year Ended December 31, 2022**  
**(Schedule 2)**

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	2022	2021
<b>COST:</b>								
BALANCE, BEGINNING OF YEAR	\$ 733,602	\$ 364,842	\$ 2,329,900	\$ 7,277,717	\$ 446,566	\$ 858,085	\$ 12,010,712	\$ 11,302,317
Acquisition of tangible capital assets	-	-	-	3,447,904	-	-	3,447,904	708,395
Disposal of tangible capital assets	-	-	-	-	-	-	-	-
<b>BALANCE, END OF YEAR</b>	<b>733,602</b>	<b>364,842</b>	<b>2,329,900</b>	<b>10,725,621</b>	<b>446,566</b>	<b>858,085</b>	<b>15,458,616</b>	<b>12,010,712</b>
<b>ACCUMULATED AMORTIZATION:</b>								
BALANCE, BEGINNING OF YEAR	-	94,839	1,419,175	2,573,800	227,332	400,768	4,715,914	4,461,850
Annual amortization	-	4,602	49,258	241,644	23,550	30,435	349,489	254,064
Accumulated amortization on disposals	-	-	-	-	-	-	-	-
<b>BALANCE, END OF YEAR</b>	<b>-</b>	<b>99,441</b>	<b>1,468,433</b>	<b>2,815,444</b>	<b>250,882</b>	<b>431,203</b>	<b>5,065,403</b>	<b>4,715,914</b>
<b>NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>\$ 733,602</b>	<b>\$ 265,401</b>	<b>\$ 861,467</b>	<b>\$ 7,910,177</b>	<b>\$ 195,684</b>	<b>\$ 426,882</b>	<b>\$ 10,393,213</b>	<b>\$ 7,294,798</b>
2021 Net Book Value of Tangible Capital Assets	\$ 733,602	\$ 270,003	\$ 910,725	\$ 4,703,917	\$ 219,234	\$ 457,317	\$ 7,294,798	

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

**Village of Standard  
Schedule of Property and Other Taxes  
For the Year Ended December 31, 2022  
(Schedule 3)**

	<i>Budget (Unaudited) (Note 21)</i>	<b>2022</b>	2021
<b>TAXATION</b>			
Real property taxes	\$ 588,807	\$ 588,017	\$ 576,790
Linear property taxes	10,962	10,962	10,472
Government grants in place of property taxes	1,604	1,604	1,508
	<u>601,373</u>	<u>600,583</u>	<u>588,770</u>
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	133,851	133,851	130,759
Wheatland Seniors Foundation Fund	3,828	3,828	3,330
Provincial assessors DIP	52	-	-
	<u>137,731</u>	<u>137,679</u>	<u>134,089</u>
<b>NET MUNICIPAL PROPERTY TAXES</b>	<u>\$ 463,642</u>	<u>\$ 462,904</u>	<u>\$ 454,681</u>

**Village of Standard**  
**Schedule of Government Transfers**  
**For the Year Ended December 31, 2022**  
**(Schedule 4)**

	<i>Budget (Unaudited) (Note 21)</i>	<b>2022</b>	2021
<b>TRANSFERS FOR OPERATING</b>			
Provincial Government	\$ 52,110	\$ 53,640	\$ 87,944
Other Local Governments	-	-	797
	<u>52,110</u>	<u>53,640</u>	<u>88,741</u>
<b>TRANSFERS FOR CAPITAL</b>			
Provincial Government	-	128,416	522,583
	<u>-</u>	<u>128,416</u>	<u>522,583</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>\$ 52,110</u>	<u>\$ 182,056</u>	<u>\$ 611,324</u>

**Village of Standard**  
**Schedule of Consolidated Expenses by Object**  
**For the Year Ended December 31, 2022**  
**(Schedule 5)**

	<i>Budget</i> <i>(Unaudited)</i> <i>(Note 21)</i>	<b>2022</b>	2021
<b>CONSOLIDATED EXPENSES BY OBJECT</b>			
Salaries, wages and benefits	\$ 155,896	\$ 242,804	\$ 244,258
Contracted and general services	296,738	251,259	226,491
Materials, goods, supplies and utilities	776,560	699,340	532,089
Transfers to local boards and agencies	6,498	6,748	6,354
Interest on capital long term debt	22,963	26,730	27,677
Amortization of tangible capital assets	-	349,489	254,064
	<u>\$ 1,258,655</u>	<u>\$ 1,576,370</u>	<u>\$ 1,290,933</u>

**Village of Standard**  
**Schedule of Segmented Disclosure**  
**For the Year Ended December 31, 2022**  
**(Schedule 6)**

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services	Total
<b>REVENUE</b>							
Net municipal taxes	\$ 462,904	-	-	-	-	-	\$ 462,904
Government transfers	53,640	-	-	-	-	-	53,640
User fees and sales of goods	141	25,525	-	-	17,858	402,821	446,345
Investment income	18,351	130	-	-	13	-	18,494
Other revenues	14,547	930	-	3,167	311,963	-	330,607
	<u>549,583</u>	<u>26,585</u>	<u>-</u>	<u>3,167</u>	<u>329,834</u>	<u>402,821</u>	<u>1,311,990</u>
<b>EXPENSES</b>							
Salaries and wages	90,663	-	58,703	-	9,585	83,853	242,804
Contract and general services	99,756	23,197	8,055	53,266	25,764	41,221	251,259
Goods and supplies	70,760	144,050	64,764	20,753	27,828	371,185	699,340
Transfers to local boards	-	-	-	-	6,748	-	6,748
Long term debt interest	-	-	-	26,730	-	-	26,730
Other expenses	-	-	-	-	-	-	-
	<u>261,179</u>	<u>167,247</u>	<u>131,522</u>	<u>100,749</u>	<u>69,925</u>	<u>496,259</u>	<u>1,226,881</u>
<b>NET REVENUE, BEFORE AMORTIZATION AND OTHER</b>	288,404	(140,662)	(131,522)	(97,582)	259,909	(93,438)	85,109
Contributed assets	-	-	-	-	-	3,191,041	3,191,041
Capital government transfers	-	-	-	-	-	128,416	128,416
Amortization expense	966	43,884	119,401	1,564	30,425	153,249	349,489
<b>NET REVENUE</b>	\$ 287,438	\$ (184,546)	\$ (250,923)	\$ (99,146)	\$ 229,484	\$ 3,072,770	\$ 3,055,077

Segmented Disclosure (Note 14)

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