

Yorkton Municipal Airport Authority Inc.

FINANCIAL STATEMENTS

Year Ended December 31, 2018

Yorkton Municipal Airport Authority Inc.

Yorkton, Saskatchewan

December 31, 2018

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Independent Auditors' Report

To the Board of Directors
Yorkton Municipal Airport Authority Inc.

Opinion

We have audited the financial statements of Yorkton Municipal Airport Authority Inc., (the non-profit), which comprise the Statement of Financial Position as at December 31, 2018 and the Statements of Operations, Changes in Net Assets and Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the non-profit as at December 31, 2018, and results of its operations and its cash flow 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 financial statements section of our report. We are independent of the non-profit in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the non-profit'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 liquidate the non-profit or to cease operations, or has no realistic alternative but to do so.

Council is responsible for overseeing the non-profit's financial reporting process.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 omissions, 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 non-profit'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 non-profit'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 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 non-profit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

Baker Tilly SK LLP

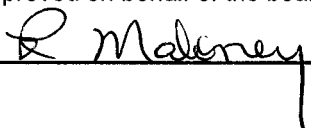
Baker Tilly SK LLP

Yorkton, SK
May 6, 2019

Yorkton Municipal Airport Authority Inc.
 Yorkton, Saskatchewan
 Statement of Financial Position as at December 31, 2018

	2018	2017
Assets		
Current Assets		
Due from City of Yorkton	507,628	702,939
Capital Assets - note 3	<u>2,095,606</u>	<u>1,799,942</u>
	<u>\$ 2,603,234</u>	<u>\$ 2,502,881</u>
Net Assets		
Net Assets		
Net investments in tangible capital assets	2,095,606	1,799,942
Reserves for future expenditures	<u>507,628</u>	<u>702,939</u>
	<u>2,603,234</u>	<u>2,502,881</u>
	<u>\$ 2,603,234</u>	<u>\$ 2,502,881</u>

Approved on behalf of the board:



Yorkton Municipal Airport Authority Inc.

Statement of Operations
For the year ended December 31, 2018

	2018 Budget	2018 Total	2017 Total
Revenue			
Community Airport Partnership Grant	260,000	128,667	37,630
Leases	115,000	82,304	110,439
Usage fees/taxes	20,000	15,087	17,795
	<u>395,000</u>	<u>226,058</u>	<u>165,864</u>
Operating Expenses			
Administration	12,500	8,654	7,452
Airfield maintenance	146,500	118,107	192,118
Mobile maintenance	27,500	37,159	21,978
Structural maintenance	8,500	5,694	12,081
Utilities	24,790	26,307	25,970
	<u>219,790</u>	<u>195,921</u>	<u>259,599</u>
Excess (Deficiency) of Revenue over Expenses Before Amortization	175,210	30,137	(93,735)
Amortization	<u>0</u>	<u>122,515</u>	<u>122,515</u>
Excess (Deficiency) of Revenue over Expenses for the Year	175,210	(92,378)	(216,250)
Transfer from (to) reserves	140,800	195,311	(347,370)
Funding provided by the City of Yorkton	<u>(316,010)</u>	<u>(102,933)</u>	<u>563,620</u>
Surplus for the Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

*The notes to financial statements are an integral
part of these financial statements.*

Yorkton Municipal Airport Authority Inc.

Notes to Financial Statements
For the year ended December 31, 2018

1. Nature of Operations

The organization was incorporated on March 20, 2008 under the Non-Profit Corporations Act of Saskatchewan. The organization is currently engaged in oversight of the Yorkton Municipal Airport.

2. Significant Accounting Policies

These financial statements are derived from a segment of the City of Yorkton financial reporting system and are the responsibility of the City of Yorkton's management and have been prepared in accordance with the City of Yorkton's basis for presentation of financial statements.

(a) Capital assets

Capital assets are recorded at acquisition cost less accumulated amortization. The assets are amortized on a straight-line basis at the following rates:

	20 years	
	2018	2017
Land improvements		
Cost		
Land improvements	2,821,720	2,403,541
Accumulated amortization		
Land improvements	<u>726,114</u>	<u>603,599</u>
Net book value	<u>\$ 2,095,606</u>	<u>\$ 1,799,942</u>