

Yorkton Municipal Airport Authority Inc.

FINANCIAL STATEMENTS

Year Ended December 31, 2022

Yorkton Municipal Airport Authority Inc.

Yorkton, Saskatchewan
December 31, 2022

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Independent Auditors' Report

To the Board of Directors
Yorkton Municipal Airport Authority Inc.

Qualified Opinion

We have audited the financial statements of Yorkton Municipal Airport Authority Inc., (the organization), which comprise the Statement of Financial Position as at December 31, 2022 and the Statement of Operations for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2022, and results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The deferred revenue of the organization has not been recognized in accordance with Canadian public sector accounting standards. The liability at December 31, 2022 is \$7,500 (\$7,300 in 2021), while no amount is recognized.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the organization 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the organization'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 organization'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 organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the organization 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
December 6, 2023

Yorkton Municipal Airport Authority Inc.

Yorkton, Saskatchewan

Statement of Financial Position as at December 31, 2022

	2022	2021
Assets		
Current Assets		
Due from City of Yorkton	608,220	360,062
Capital Assets - note 3	<u>2,995,255</u>	<u>3,109,845</u>
	<u>\$ 3,603,475</u>	<u>\$ 3,469,907</u>
Net Assets		
Net Assets		
Net investments in tangible capital assets	2,995,255	3,109,845
Reserves for future expenditures	<u>608,220</u>	<u>360,062</u>
	<u>\$ 3,603,475</u>	<u>\$ 3,469,907</u>

Approved on behalf of the board:

Yorkton Municipal Airport Authority Inc.

Statement of Operations

For the year ended December 31, 2022

	2022 Budget	2022 Total	2021 Total
Revenue			
Community Airport Partnership Grant		11,024	13,407
Custom and rental			786
Leases	61,628	77,143	79,473
Usage fees/taxes	43,131	55,270	50,104
	<u>104,759</u>	<u>143,437</u>	<u>143,770</u>
Operating Expenses			
Administration	13,700	13,406	13,241
Airfield maintenance	137,500	170,425	161,249
Mobile maintenance	41,000	60,926	17,611
Structural maintenance	7,000	7,897	18,696
Utilities	24,780	29,726	23,277
	<u>223,980</u>	<u>282,380</u>	<u>234,074</u>
Excess (Deficiency) of Revenue over Expenses Before Amortization	(119,221)	(138,943)	(90,304)
Amortization	<u>0</u>	<u>223,264</u>	<u>219,567</u>
Excess (Deficiency) of Revenue over Expenses for the Year	(119,221)	(362,207)	(309,871)
Transfer from (to) reserves	(114,328)	(248,158)	(338,028)
Funding provided by the City of Yorkton	<u>233,549</u>	<u>610,365</u>	<u>647,899</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, 2022

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	
	2022	2021
3. Capital Assets		
Cost		
Land improvements	4,527,191	4,418,517
Accumulated amortization		
Land improvements	<u>1,531,936</u>	<u>1,308,672</u>
Net book value	<u>\$ 2,995,255</u>	<u>\$ 3,109,845</u>