

TOWN OF MIDDLETON TOURIST BUREAU

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2022

**TOWN OF MIDDLETON
TOURIST BUREAU**

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2022

| | <u>Page</u> |
|----------------------------------------------------------|-------------|
| Management's Responsibility for the Financial Statements | 1 |
| Independent Auditor's Report | 2-3 |
| Statement of Operations and Surplus | 4 |
| Operating Fund Balance Sheet | 5 |
| Notes to Financial Statements | 6 |
| Schedule to Statement of Operations | 7 |

**TOWN OF MIDDLETON
TOURIST BUREAU
FINANCIAL STATEMENTS**

YEAR ENDED MARCH 31, 2022

Management's Responsibility for the Financial Statements

The accompanying financial statements of the Town of Middleton Tourist Bureau are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). A summary of the significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.


The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

The audit committee meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The Town of Middleton Tourist Bureau financial statements have been audited by Kent & Duffett, independent external auditors appointed by the Town. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.



Mayor
October 26, 2022



Chief Administrative Officer
October 26, 2022

Incorporated Partners
Forse Investments Limited
Crosby Smith Holdings Limited

www.kentandduffett.ca

**His Worship the Mayor and Members of Council of the
Town of Middleton Tourist Bureau**

Opinion

We have audited the operating fund balance sheet of the **Town of Middleton Tourist Bureau** as at **March 31, 2022**, and the statement of operations and surplus for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Town of Middleton Tourist Bureau are prepared, in all material respects, 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 Town of Middleton Tourist Bureau in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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 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 Town of Middleton Tourist Bureau'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 Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town of Middleton Tourist Bureau's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's 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 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 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 Town of Middleton Tourist Bureau'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 Tourist Bureau'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 Town of Middleton Tourist Bureau to cease to continue as a going concern.

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.



Chartered Professional Accountants
Registered Municipal Auditor

Kentville, Nova Scotia
October 26, 2022

**TOWN OF MIDDLETON
TOURIST BUREAU**

STATEMENT OF OPERATIONS AND SURPLUS

YEAR ENDED MARCH 31, 2022

| | 2022 Budget (unaudited) | 2022 Actual | 2021 Actual |
|--------------------------------------------|----------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Grants (note 4) | \$ 1,455 | \$ 2,000 | \$ 3,325 |
| Miscellaneous | - | 39 | 6 |
| | <u>1,455</u> | <u>2,039</u> | <u>3,331</u> |
| Expenditures (page 7) | | | |
| Utilities | 130 | 127 | 135 |
| Building expense | 490 | 468 | 467 |
| Professional fees | 835 | 835 | 834 |
| | <u>1,455</u> | <u>1,430</u> | <u>1,436</u> |
| EXCESS OF REVENUE OVER EXPENDITURES | - | 609 | 1,895 |
| SURPLUS AT BEGINNING OF YEAR | <u>2,426</u> | <u>2,426</u> | <u>531</u> |
| SURPLUS AT END OF YEAR | <u>\$ 2,426</u> | <u>\$ 3,035</u> | <u>\$ 2,426</u> |

**TOWN OF MIDDLETON
TOURIST BUREAU**

OPERATING FUND BALANCE SHEET AS AT MARCH 31, 2022

| | <u>2022</u> | <u>2021</u> |
|------------------------------------------|-----------------|-----------------|
| ASSETS | | |
| Cash | \$ 3,857 | \$ 3,264 |
| Harmonized sales tax receivable | <u>13</u> | <u>93</u> |
| | <u>\$ 3,870</u> | <u>\$ 3,357</u> |
| LIABILITIES | | |
| Accounts payable and accrued liabilities | <u>\$ 835</u> | <u>\$ 931</u> |
| EQUITY | | |
| Surplus | <u>3,035</u> | <u>2,426</u> |
| | <u>\$ 3,870</u> | <u>\$ 3,357</u> |

On behalf of the Town



Mayor



Chief Administrative Officer

TOWN OF MIDDLETON

TOURIST BUREAU

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2022

1. OPERATIONS

These financial statements reflect the operation of the Tourist Bureau located at and operated by the Town of Middleton.

The financial operating results of the Tourist Bureau are included in the annual consolidated financial statements of the Town of Middleton.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

(b) A statement of cash flows has not been presented because all relevant information is disclosed in the financial statement presentation.

(c) The Tourist Bureau acknowledges the receipt of donated materials and services. However, because of the difficulty of determining the fair market value, all donated materials and services are not recognized in these financial statements.

(d) Volunteers contribute an indeterminable number of hours per year to assist the Tourist Bureau in carrying out its services. Due to the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

3. INCOME TAXES

The Tourist Bureau operates as a separate fund under the Town of Middleton, a municipal entity, and as such is exempt from income taxes.

4. RELATED PARTY TRANSACTIONS

During the year, the Town of Middleton contributed \$Nil (2021 - \$1,325) in grants for the ongoing operation of the Tourist Bureau.

5. ECONOMIC DEPENDENCE

The Tourist Bureau derives the majority of its grant revenue through an operating grant provided by the Town of Middleton. As such, its ability to continue operations is contingent on receiving this funding.

**TOWN OF MIDDLETON
TOURIST BUREAU**

SCHEDULE TO STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2022

| | 2022 Budget (unaudited) | 2022 Actual | 2021 Actual |
|-------------------------|----------------------------------------|------------------------|------------------------|
| UTILITIES | | | |
| Telephone | \$ 130 | \$ 127 | \$ 135 |
| Electricity | - | - | - |
| | <u>\$ 130</u> | <u>\$ 127</u> | <u>\$ 135</u> |
| BUILDING | | | |
| Taxes | \$ 385 | \$ 356 | \$ 362 |
| Insurance | 105 | 112 | 105 |
| Repairs and maintenance | - | - | - |
| | <u>\$ 490</u> | <u>\$ 468</u> | <u>\$ 467</u> |