

**TWIGG & COMPANY**  
CHARTERED PROFESSIONAL ACCOUNTANTS

L.D. SAFINUK B. Comm., CPA, CA  
M. LINGARD B. Comm., MPAcc., CPA, CA

650 REGENCY CENTRE  
333 25th STREET EAST  
SASKATOON, SK S7K 0L4  
TELEPHONE (306) 244-0808  
FACSIMILE (306) 244-0004  
[www.twiggandcompany.com](http://www.twiggandcompany.com)

**MUNICIPALITY OF THE RESORT VILLAGE OF SHIELDS**

**INDEPENDENT AUDITORS' REPORT AND ANNUAL FINANCIAL  
STATEMENTS WITH SUPPORTING SCHEDULES**

**FOR THE YEAR ENDED DECEMBER 31, 2018**

L.D. SAFINUK B. Comm., CPA, CA  
M. LINGARD B. Comm., MPAcc., CPA, CA

650 REGENCY CENTRE  
333 25th STREET EAST  
SASKATOON, SK S7K 0L4  
TELEPHONE (306) 244-0808  
FACSIMILE (306) 244-0004  
[www.twiggandcompany.com](http://www.twiggandcompany.com)

## Independent Auditors' Report

### To the Mayor and Council of The Resort Village of Shields

#### Opinion

We have audited the accompanying financial statements of The Resort Village of Shields, which are comprised of the statement of financial position as at December 31, 2018, the statements of operations, changes in net assets and cash flows for the year then ended, notes to the financial statements and a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Resort Village of Shields, as at December 31, 2018 and December 31, 2017 and its results of operations and cash flow for the year then ended in accordance with the Canadian Public Sector Accounting Standards.

#### Basis for Opinion

We conducted our audit in accordance with 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 Resort Village of Shields 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 to 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 these 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 financial statements, management is responsible for assessing The Resort Village of Shields' ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate The Resort Village of Shields or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing The Resort Village of Shields' 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 it 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 misstatements 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 Resort Village of Shields' 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 the 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 Resort Village of Shields 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 Resort Village of Shields 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.