

STATEMENT OF RESPONSIBILITY

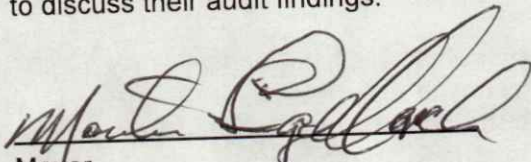
To the Ratepayers of the Town of Southey:

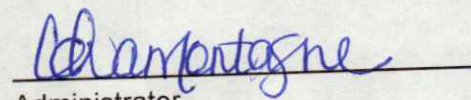
Management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurements of transactions in which objective judgments and estimates by management are required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation for consolidated financial statements.

The Council is composed of elected officials who are not employees of the Town. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfills these responsibilities by reviewing the financial information prepared by administration and discussing relevant matters with external auditors. The Council is also responsible for recommending appointment of the Town's external auditors.

Sensus Chartered Professional Accountants Ltd., an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.


Mayor


Administrator

SENSUS Chartered
Professional Accountants Ltd.
Box 926
Yorkton, SK S3N 2X1

Dear Mr. Paul:

This representation letter is provided in connection with your audit of the consolidated financial statements of Town of Southey for the year ending December 31, 2019 for the purpose of expressing an opinion as to whether the consolidated financial statements present fairly, in all material respects, in accordance with Canadian public sector accounting standards.

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of organization personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief):

Financial Statements

We have fulfilled our responsibilities as set out in the terms of the audit engagement dated June 25, 2019, for:

- a. Preparing and fairly presenting the consolidated financial statements in accordance with Canadian public sector accounting standards;
- b. Providing you with:
 - i. Access to all information of which we are aware is relevant to the preparation of the consolidated financial statements, such as:
 - A. Accounting records, supporting data, and other relevant documentation,
 - B. Minutes of meetings (such as shareholders, board of directors, and audit committees)
 - C. Information on any other matters, of which we are aware, that is relevant to the preparation of the consolidated financial statements
 - ii. Additional information you have requested from us for the purpose of the audit; and
 - iii. Unrestricted access to persons within the organization from who you determine it necessary to obtain audit evidence.
- c. Ensuring that all transactions have been recorded in the accounting records and are reflected in the consolidated financial statements; and
- d. Designing and implementing such internal control as we determined is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies found in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

Fraud and Non-Compliance

We have disclosed to you:

- a. All of our knowledge in relation to actual, alleged or suspected fraud affecting the organization's consolidated financial statements' involving:
 - i. Management;
 - ii. Employees who have significant roles in internal control; or
 - iii. Others where the fraud could have a material effect on the consolidated financial statements;

- b. All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;
- c. All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the consolidated financial statements;
- d. All known, actual, or possible litigation and claims that should be considered when preparing the consolidated financial statements; and
- e. The results of our risk assessments regarding possible fraud or error in the consolidated financial statements.

Related Parties

We confirm that there were no related-party relationships or transactions that occurred during the period other than those indicated during the course of the audit.

Estimates

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the consolidated financial statements in accordance with Canadian public sector accounting standards. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm that the significant assumptions and measurement methods used by us in making accounting estimates, including those measured at fair value, are reasonable.

Subsequent Events

All subsequent events to the date of the consolidated financial statements and for which Canadian public sector accounting standards requires adjustment or disclosure have been adjusted or disclosed.

Commitments and Contingencies

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the consolidated financial statements other than those indicated during the course of the audit. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the consolidated financial statements.

Adjustments

We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

Misstatements

The effects of uncorrected misstatements are immaterial, individually and in aggregate, to the consolidated financial statements as a whole. A list of the uncorrected misstatements including the reasons why they were not corrected is attached to this letter.

Yours truly,
Town of Southey

Per: Blamontagne Title: Acting Administrator Date: Jun 24, 2020
Per: Beast Dyer Title: COUNCILLOR Date: JUN 24, 2020

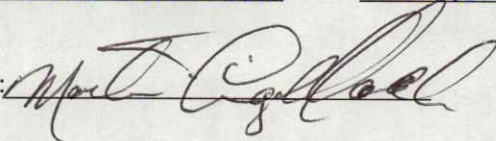
Town of Southey

SENSUS Chartered
Professional Accountants Ltd.
Box 926
Yorkton, SK S3N 2X1

Dear Mr. Paul:

We, the Council of Town of Southey hereby approve the audited consolidated financial statements and take full responsibility for the audited consolidated financial statements for the year ended December 31, 2019.

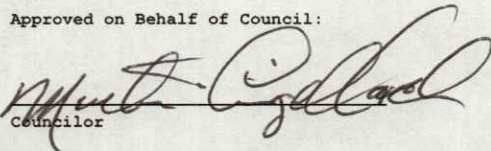
Name: MARTIN LINELBACH Title: MAYOR Date: JUNE 24, 2020

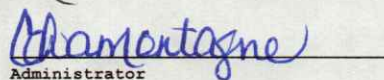
Signature: 

Town of Southey
Year End: December 31, 2019
Trial balance

Account	Prelim	Adj's	Reclass	RepAnnotation	Rep 12/18 %Chg	L/S
Net Income (Loss)	114,408.18			492,018.50	265,812.32 85	

Approved on Behalf of Council:


Councilor


Administrator

Prepared by	Reviewed by	Partner
NB 6/8/2020	NP 6/11/2020	KRJP 6/23/2020

Town of Southey

Year End: December 31, 2019

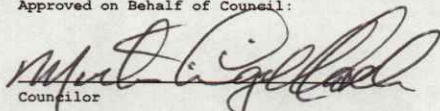
Journal entries

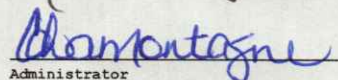
Date: 1/1/2019 To 12/31/2019

Number	Date	Name	Account No	Reference Annotation	Debit	Credit	Recurrence	Misstatement
15	12/31/2019	UT - Amort - Machinery & Equipment	580-600-399	U. 1	1,173.00			
15	12/31/2019	UT - Amortization - Infrastructure	580-600-699	U. 1	45,619.00			
15	12/31/2019	UT - Amort - Buildings	585-600-299	U. 1	6,981.00			
To record amortization for the year								
						1,707,221.48	1,707,221.48	

Net Income (Loss) 492,018.50

Approved on Behalf of Council:


Councilor


Administrator

Prepared by	Reviewed by	Partner
NB 6/8/2020	NP 6/11/2020	KRJP 6/23/2020

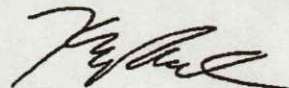
Difficulties Encountered During the Audit

We encountered no other significant difficulties during our audit that should be brought to the attention of the audit committee.

This communication is prepared solely for the information of the audit committee and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

To ensure there is a clear understanding and record of the matters discussed, we ask that members of the audit committee sign their acknowledgement in the spaces provided below. Should any member of the audit committee wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact us at any time.

Yours truly,
SENSUS Chartered
Professional Accountants Ltd.



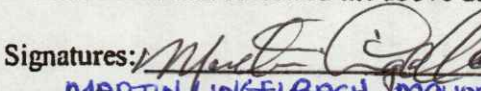
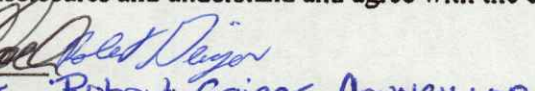
Kyle Paul, CPA, CA

Box 926 Yorkton, SK S3N 2X1 ph. 306-782-4320 fax 306-782-4321
sensusyktm@sensusepa.ca

Acknowledgement of Audit Committee:

We have read and reviewed the above disclosures and understand and agree with the comments therein:

Signatures:

MARTIN LINGELBACH, Mayor

Robert Geiger, COUNCILLOR

Date:

JUNE 24, 2020